

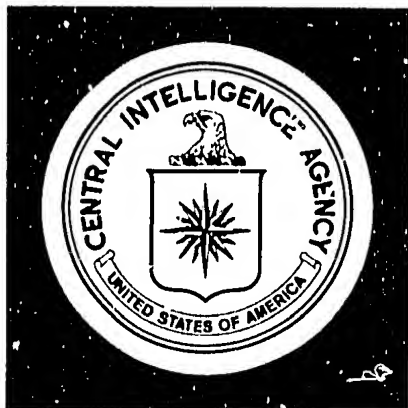
CIAER IM 75-021 INTELLIGENCE MEMORANDUM THE LATIN AMERICAN  
ARMS MARKET  
DECEMBER 1975 SECRET/NX ER IM 75-21 1 OF 1

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NOFORN

(See inside cover)



# Intelligence Memorandum

## *The Latin American Arms Market*

**Secret**

ER IM 75-21

December 1975

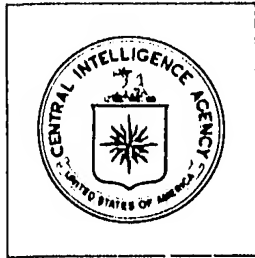
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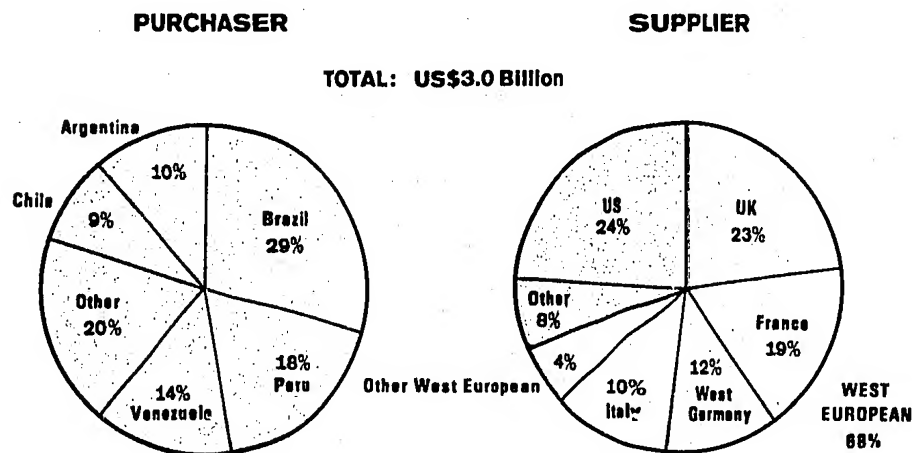
## The Latin American Arms Market

### SUMMARY

In the late 1960s, many Latin American countries initiated major programs to modernize their arms inventories. These moves reflected growing national competition for hemispheric leadership, the fueling of intraregional rivalries, and often the desire of military governments to enhance their prestige. Foreign arms purchases reached an average of \$600 million per year in 1970-74, a twofold increase over the previous 5 years. Advanced naval craft and jet aircraft, ordered mainly by Argentina, Brazil, Peru, and Venezuela, made up about three-fourths of the total new orders (see Figure 1).

Figure 1

### LATIN AMERICA: Arms Agreements, 1970-74



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Note: Comments and queries regarding this memorandum are welcomed. They may be directed to [REDACTED] of the Office of Economic Research, Code 143, Extension 5291.

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Despite the large jump in procurement, Latin America remains the smallest arms market among LDC regions, accounting for 8% of total LDC military purchases. In the Near East, Iran, Israel, and Saudi Arabia each purchased more arms in the 1970s than all of Latin America.

West European countries have won more than two-thirds of the arms contracts awarded since 1969, moving into a market previously dominated by the United States. The substantial shift resulted from aggressive European sales tactics, US restrictions on sales availability of US credit, and a concerted effort of major Latin American arms purchasers to reduce their dependence on the United States. Washington was able to hold on to a 25% share of the market—still the largest for any single country—mainly because of sales of follow-on equipment and spare parts for weapons already in Latin American inventories.

For the rest of the decade we expect Latin America's arms purchases to average about \$1 billion per year, or two-thirds above the 1970-74 annual average. We believe most of the higher dollar outlays will be attributable to rising prices for sophisticated equipment and the need for more follow-on support. We do not expect much of an increase in the quantities of equipment ordered, primarily because of balance-of-payments and fiscal constraints. Several major countries will be seeking licensing and local assembly arrangements to replace direct imports of weapons.

Western Europe will continue to garner the bulk of the armament contracts despite recent liberalization of US policies. The United States cannot provide much of the equipment desired, because of continuing export restrictions and existing commitments.

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## DISCUSSION

### The Market

1. Latin America<sup>1</sup> was the last of the Third World continental regions to acquire sophisticated weapons. Spared the arsenal building problems of newly independent states and operating for decades under Washington's security umbrella, Latin American inventories were of World War II and Korean vintage until the late 1960s.

2. At that time, arms modernization programs were triggered by desires to compete with other LDCs for the prestige of owning advanced weaponry. Latin American countries also sought new weapons because of real or imagined threats to their sovereignty.

- Argentina and Brazil wanted to enhance their prestige, as part of their traditional competition for hemispheric leadership and influence.
- Colombia and Venezuela were preparing for possible conflict over disputed territorial sea and continental shelf boundaries in the Gulf of Venezuela and other border problems.
- Venezuela also wanted to fill a power void in the Caribbean, following British and Dutch departure.
- Chile and Peru have been at odds because of continued animosities over seizure of Peruvian territory nearly 100 years ago.
- Bolivia felt that the Peruvian-Chilean conflict might spill over to its territory.
- Ecuador feared a Peruvian seizure of oil deposits near their common border.

3. Arms orders soared in 1969, and in 1970 they reached the \$900 million mark. Between 1970 and 1974, equipment orders remained high—averaging \$500 million annually, compared with \$200 million a year during 1960-68. Purchases in 1975 may reach a record of \$1 billion because of large Venezuelan and Argentine orders for ships and an Ecuadorean deal for ground equipment (see Figure 2 and Appendix B).

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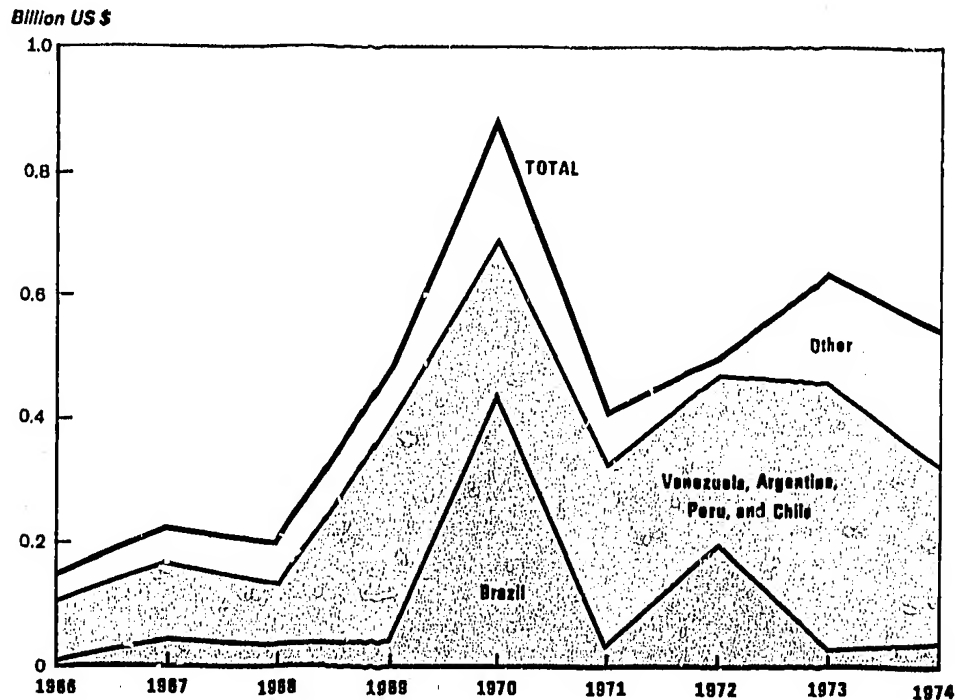
1. Including all independent Latin American countries except Cuba. For recent patterns of arms procurement in individual Latin American countries, see Appendix A.

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Figure 2

# LATIN AMERICA: Arms Agreements



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4. Six countries—Argentina, Brazil, Chile, Ecuador, Peru, and Venezuela—ordered \$2.7 billion worth of arms during 1970-74, nearly 90% of the Latin American total. Brazil's share alone was 30% and Peru's about 20%. Colombia, Bolivia, and Mexico accounted for most of the remainder.

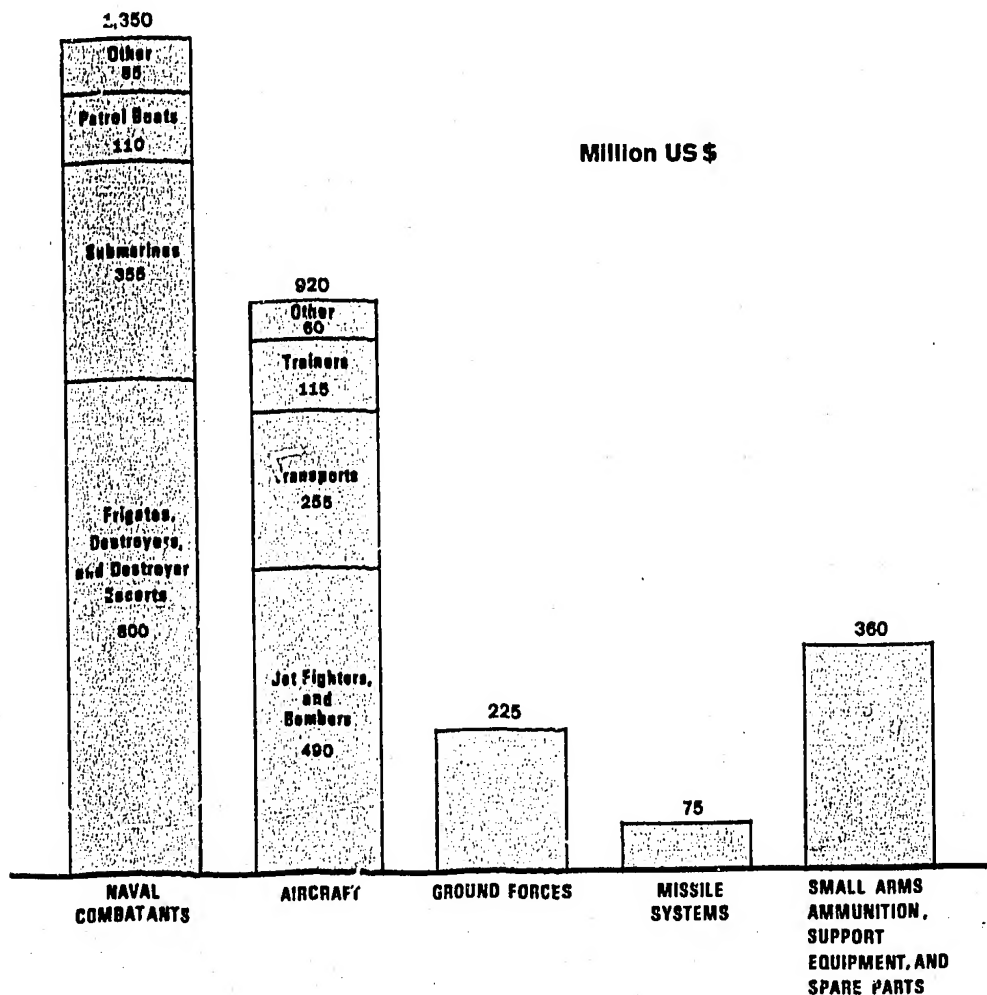
5. Like other Third World arms purchasers, Latin American countries have sought costly high-technology ordnance. Almost three-fourths of the orders have been for naval ships and aircraft, including destroyer escorts equipped with guided missile systems and Mach-2 jet fighters (see Figure 3). Because sophisticated equipment accounts for a large part of Latin America's orders, long lead times have delayed deliveries. Annual deliveries in 1973 and 1974 averaged \$460 million as orders placed in the late 1960s and early 1970s were received.

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Figure 3

**LATIN AMERICA: Arms Purchases from Non-US Sources,  
by Major Category of Equipment, 1966-74**



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## Suppliers

### *The United States*

6. Until 1969, Latin America's armed forces were almost entirely equipped and trained by the United States. Western Europe has subsequently provided most of the region's arms import needs.<sup>2</sup> The United States accounted for less than

2. For a listing of arms agreements, see Appendix C.

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one-fourth of Latin America's total purchases during 1969-74, while the West European share rose to two-thirds.<sup>3</sup> Latin America's share of US arms sales to the Third World also declined, from 10% in 1962-68 to 5% in 1969-74. The United States continued to be the largest single supplier, with sales of about \$130 million annually, up slightly from \$100 million a year during 1962-68.

7. Although most West European sales since 1969 have been of new equipment, about 60% of US sales represent spare parts and technical assistance. The disparity in the mix of US sales reflects the need to maintain both US equipment purchased before 1969 and recently purchased used equipment.

8. Three-fourths of US sales in 1969-74 went to Argentina, Brazil, Chile, Peru, and Venezuela. In each of these countries except Argentina, the United States was outsold by at least one West European supplier.

9. Reduction in the share of US participation in Latin America's arms reflected several currents in US arms exports:

- In 1968 the Foreign Assistance Act restricted the total value of grant military assistance to \$25 million a year;
- At the same time, a ceiling of \$75 million was imposed on cash and credit sales under the Foreign Military Sales (FMS) program; and
- Sales of sophisticated equipment were expressly forbidden.

Subsequently the FMS ceiling was raised by steps, beginning in 1972. By 1974 the credit ceiling was raised to \$200 million, with no limit on sales. Not until June 1973, however, did Washington sanction the sale of high-performance (F-5E) jet aircraft to Latin America. Five countries (Argentina, Brazil, Chile, Colombia, and Peru) were offered the aircraft. In 1974, other advanced weapons systems, such as the M-60 tank and TOW antitank missile system, were added to the sales list.

10. The US share of Latin American arms purchases promptly increased from 30% in 1972 to more than 40% in 1974. The US share will drop in 1975, however. Washington cannot provide important types of naval craft sought because of previous commitments and US export barriers. Included on the list which the United States is unable to provide are advanced missiles, tanks, destroyers, and conventional submarines.

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3. US data are for fiscal years.

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11. The United States remains the major source of foreign technical services to Latin American military establishments in spite of its reduced role as an arms supplier. In 1973, for example, 300 American technicians were assigned to Latin American countries, compared with 200 West Europeans. The Americans perform a more direct service to national armed forces through their training missions, equipment installation, and maintenance operations. West European technicians are employed principally on weapons co-production and weapons assembly operations.

### *Western Europe*

12. While the United States has been restricting its arms sales, West Europeans have been actively promoting theirs. The West Europeans have encountered receptive customers, especially where the governments were anxious to reduce their dependence on the United States. West European governments have encouraged sales through credit arrangements that compare favorably with US FMS sales and through contracts that permit lenient assembly and licensing agreements. Aggressive European agents sold arms to Argentina when US supplies were cut off after the 1966 military coup. France offered Peru advanced Mirage aircraft following Washington's refusal to sell high-performance jet fighters in 1967.

#### Western Europe's major arms deals with Latin American countries (1966-74):

*Argentina* placed orders in France for Mirage fighters, its first supersonic aircraft, and helicopters; in Britain for Canberra jet bombers, helicopters, and transport planes; and in the Netherlands and Italy for transport aircraft.

*Brazil's* orders included MK-10 frigates, Oberon-class submarines, and HS-125 transports from the United Kingdom; Schultz-class minesweepers from West Germany; Mirage IIIs from France; and MB-326G jet trainers from Italy, for assembly in Brazil.

*Peru's* 1967 purchase of 14 French Mirage Vs and 2 Mirage III fighters made Peru the first Latin American country to have supersonic aircraft. Since then, its purchases in France include AMX tanks, the Exocet ship-to-ship missile system, and Alouette helicopters. From Britain, Peru bought bombers and destroyers and, from West Germany, armored personnel carriers (APCs), submarines, and the Cobra antitank missile system.

*Venezuela* bought Vosper-Thomycroft patrol boats from the United Kingdom; submarines from West Germany; AMX-30 tanks, APCs, self-propelled 155-mm guns, and howitzers from France; and antiaircraft guns from Sweden.

13. Several Latin American buyers have been dissatisfied with the postsale services provided by West European arms suppliers. Peru and Colombia, for example, have been displeased with French follow-on support for Mirage jet fighters. French

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postsales indifference to unexpected add-on charges for weapons, spare parts, and support and maintenance has also created animosity. Paris has been lax in delivering spare parts and has exacerbated difficulties by requiring the return of engines to France for overhaul. The United States, on the other hand, is known to meet its contractual obligations and offers strong postsales support for equipment it supplies. It staffs its military assistance groups with qualified technicians and monitors and enforces all aspects of arms contracts.

14. West European countries, as a group, sold \$2.4 billion worth of arms to Latin America during 1969-74—mostly high-unit-cost, sophisticated combat equipment. Their sales to Latin America peaked in 1970 at almost \$800 million because of large sales to Brazil, Argentina, and Colombia. One-half of the aircraft and ground forces equipment in Latin America and about 80% of the naval craft come from Western Europe. The United Kingdom, France, West Germany, and Italy have been the major suppliers.

15. Another high year for West European arms sales to Latin America (over \$1 billion) appears to be in the making in 1975. In May Venezuela was close to signing Latin America's largest arms accord—a \$433 million order for 6 Alpino-class frigates from Italy. In June, Great Britain's most lucrative deal in the area was concluded, a \$379 million Argentine order for six Type-21 frigates. Early this year, France became Ecuador's major source of arms with a \$120 million sale of AMX-13 tanks, armored vehicles, and the Magic air-to-air missile system, which is to be used to arm Jaguar jet fighters bought from the United Kingdom in 1974.

#### *Other Sources*

16. Less than 10% of Latin America's foreign arms purchases (\$375 million) were made from countries outside of Western Europe and the United States. Canada has sold Latin America transport and jet fighter aircraft worth about \$175 million. Most of these planes were sold between 1967 and 1971. In 1973-74, Israel supplied transport planes to four countries, and Brazil has provided ground forces equipment to Chile.

17. Peru in mid-1973 became the first and so far the only non-Communist country in Latin America to sign a military agreement with Moscow. In the two years since the deal was concluded, the USSR has delivered \$40 million worth of tanks and ground forces equipment. Also, some \$30 million worth of MI-8 helicopters ordered in early 1975 were delivered. In the early 1970s, Moscow had offered military assistance to the Allende regime in Chile, but was turned down because Chilean military leaders wanted to avoid establishing a dependent relationship.

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### Latin America's Arms Transfers

18. The more industrialized Latin American nations are developing their own military industrial establishments, often through licensing and assembly agreements with West European countries.<sup>4</sup> Licensing and assembly agreements enable the manufacturer to produce armaments locally, frequently using foreign components for all or part of the finished weapons. These arrangements are intended to save foreign exchange, to upgrade domestic technical capabilities, and to adapt weapons systems to local needs.

19. Ten Latin American countries are able to manufacture a variety of infantry weapons, small arms ammunition, and quartermaster supplies. Only Argentina and Brazil approach self-sufficiency in the supply of these items. Brazil has also begun to export some military equipment to its neighbors and in 1970 completed a \$50 million sale of armored vehicles to Libya. A few complex modern weapons are produced from foreign designs, but production is limited by high start-up costs for development, by technology, and by chronic shortages of skilled manpower and critical materials.

### Impact of Defense Spending on Latin American Economies

20. Because Latin America has been remarkably free of major military conflicts, it has consistently spent a smaller proportion of its gross national product (GNP) on defense than other developing areas. Between 1966 and 1972 the average annual outlay held at about 2% and since then has dropped to less than 1.5%. Average expenditures of Third World nations were 5% and for the Middle East countries almost 12%. Even the average ratio of defense expenditures to GNP of the five major Latin American powers is less than one-half of the Third World average.

21. Latin American military budgets generally allow 10%-15% of total expenditures for procurement of foreign arms. By spreading deliveries and repayments over a number of years, countries have made large arms purchases without seriously straining their balance of payments. The annual payment on the military debt has increased to about \$300-\$400 million during the last three years. Nevertheless, Latin American countries should be able to meet current repayment schedules without jeopardizing economic development.

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4. For weapons systems production in Latin America, see Appendix D.

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## Prospects

22. We expect Latin American arms purchases to run about \$1 billion annually through 1980, compared with \$600 million a year during 1970-74. Higher outlays principally reflect increased prices for sophisticated weapons systems and growing requirements for follow-on support. We anticipate no large increase in the quantities of equipment ordered. Most countries, confronted with balance-of-payments problems, are shopping cautiously and are looking for licensing and assembly arrangements to replace direct imports. Projected procurement levels could be surpassed, however, if tensions between countries such as Chile and Peru were to increase. The armed forces would then press to accelerate purchases of advanced armaments, including such items as the Mirage F-1 jet fighter.

23. Western Europe will continue to take two-thirds, possibly more, of the Latin American arms market. As the traditional source of new tonnage for Latin American navies, Europe will continue to benefit from large allocations for ship purchases. Europe's share of the important follow-on equipment and spare parts markets will also climb as inventories of West European military hardware increase throughout the area. Although Latin America has shown preference for US aircraft, West European suppliers will get a somewhat larger share of the contracts because they offer a wider variety of equipment and faster delivery. US governmental restrictions on the sale of certain sophisticated weapons systems as well as commitments already made for US forces and Middle Eastern customers will also restrict the level of sales.

24. West European countries will step up their sales efforts to help support their defense-related industries. Shipbuilding contracts, including those for guided-missile destroyers, frigates, conventional submarines, and patrol boats, will go mainly to British, Italian, and West German shipyards. French Mirage series aircraft and helicopters, British Jaguar ground support jet fighters, and Italian jet trainers will be most competitive with aircraft available in the United States.

25. Local arms production will continue to be confined largely to Argentina and Brazil, which will be able to meet their requirements for small arms, ammunition, and some ground, naval, and aircraft equipment. Brazil may even be able to export more military equipment than it imports by the late 1970s. It is now trying to sell armored vehicles and transport aircraft to Canada, Japan, Turkey, and several Arab states.

## APPENDIX A

### RECENT ARMS PROCUREMENT PATTERNS

#### Argentina

Piqued at the United States for suspending arms deliveries in the aftermath of the 1966 military coup, Buenos Aires initiated Plan Europa to tap West European arms suppliers. About 65% of some \$475 million in new orders was placed with Western Europe, while the US share went down to 35%. By comparison, during 1956-65 the United States had accounted for more than 80% of the equipment purchased. Although Plan Europa was introduced in 1966, major purchases were not made until the 1970s, as shown in the tabulation:

	Million US \$		
	Total 1966-74	1966-69	1970-74
<b>Total</b>	<b>475</b>	<b>145</b>	<b>330</b>
United States	165	50	115
Western Europe	310	95	215
West Germany	50	20	30
France	75	15	60
United Kingdom	105	25	80
Netherlands	50	25	25
Italy	25	5	20
Other	5	5	Negl.

During 1966-74, Argentina ordered more than \$150 million of naval equipment, 85% from Western Europe. The naval air arm also acquired sophisticated foreign equipment. In addition to a squadron of US A-4 jet fighters and a reconditioned Dutch aircraft carrier, Buenos Aires ordered Alouette III helicopters and AS-11 and AS-12 air-to-ground missiles from France and Aeromacchi MB-326K jet trainers from Italy. Argentina is now shopping for US S-2E antisubmarine warfare aircraft.

The air force placed \$150 million worth of orders that include:

- reconditioned Canberra jet bombers, Sky Van and HS-125 transports, and Westland helicopters from the United Kingdom;
- a squadron of Mirage jet fighters and Alouette helicopters from France;

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- twin Otter transports from Canada;
- MB-326 jet trainers and G-222 transports from Italy; and
- transports from the Netherlands.

Plan Europa also envisioned the acquisition of West European technology for local production, or at least for the assembly of weaponry in Argentina. Although far smaller than Brazil's effort, licensing agreements with foreign firms enabled Argentina to set up plants for assembling the following types of equipment:

- French AMX-series tanks, APCs, and 155-mm howitzers;
- Swiss MOWAG armored vehicles;
- West German 209-type submarines, Saar-class fast patrol boats, and trucks; and
- the second of two British type-42 guided missile destroyers.

Recently, Argentina built a prototype APC resembling the British Saracen as replacement for M-5 US half-tracks and developed a prototype wire-guided surface-to-surface missile system. It is developing a main battle tank, comprising the best features of the US M-48A3 and M-60 tanks and other foreign tanks.

In mid-1975, Argentina purchased six type-21 frigates valued at about \$380 million from the United Kingdom. Construction of the frigates is scheduled over 10 years and will incorporate some equipment produced in Argentina. In spite of this large new order and purchases in 1974 of Italian and Dutch transport aircraft, the recent Peron regime has tried to curtail military imports and to expand domestic output. Even with the prospect of a restoration of military control, Argentina will probably seek additional arrangements with foreign firms to expand its capacity to produce a wider line of items.

## **Bolivia**

From 1966 through 1974, Bolivia spent only \$40 million on foreign arms procurement, 65% in the United States. Alarmed by the arms buildup in Peru and Chile, Bolivia's military regime has ordered more than \$20 million worth of equipment thus far in 1975, including Cascavel armored cars and T-6 trainer aircraft from

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Brazil and Arava STOI, transports from Israel. La Paz is interested in a Soviet offer that includes T-55 tanks at relatively low prices and favorable credit terms because Washington has refused to increase sales.

## Brazil

Brazil has the largest and most advanced military establishment in Latin America and is by far the major arms importer. With recent annual defense expenditures running at more than \$1 billion (2.5% of GNP) and military personnel numbering 210,000, Brazil accounts for about one-fourth of Latin America's total defense expenditures. Foreign military purchases totaling \$860 million during 1970-74 reflect both the desire of Brazil's military government to modernize its pre-World War II military establishment and the country's financial ability to support a larger program.

To acquire sophisticated weapons that the United States refused to provide, Brazil sought other supply sources in the late 1960s. The US share dropped from two-thirds to about one-fifth of the market as Brazil placed orders elsewhere.

	Million US \$		
	Total 1966-74	1966-69	1970-74
Total	1,090	225	865
United States	265	100	165
Western Europe	750	80	670
United Kingdom	470	55	415
France	170	10	160
Italy	60	....	60
Other	50	15	35
Other	75	45	30

Almost three-fourths of the orders placed after 1969 were for naval equipment under a 10-year expansion program initiated in 1968. Brazil contracted to buy 33 ships, some of which were to be built in Brazil with foreign components. The most important among these orders were:

- six MK-10 frigates (see Figure 4), valued at \$350 million, and 3 Oberon-class submarines from the United Kingdom—one submarine has been de-

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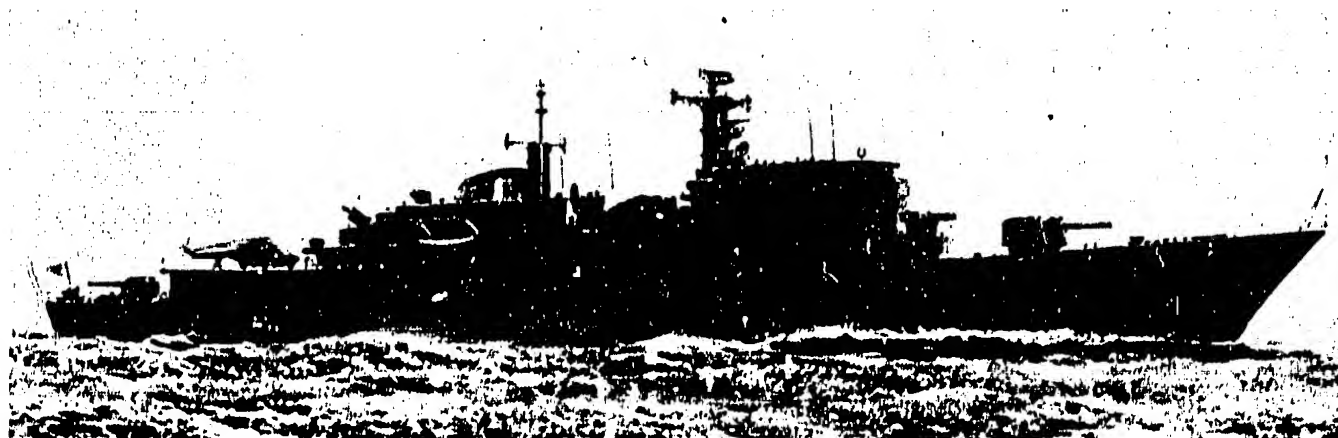


Figure 4. Brazil: British MK-10 Frigates Ordered in 1970

livered and two of the frigates have been launched (including one built in Brazil)\* but neither will be operational until 1976;

- four Schultz-class minesweepers from West Germany; and
- eight destroyers, an LST, a submarine, a rescue ship, and seven Guppy-type submarines from the United States (all surplus).

The air force began a \$300 million program in early 1973 to replace an aborted one launched 5 years earlier. Brazil has placed the following orders for aircraft:

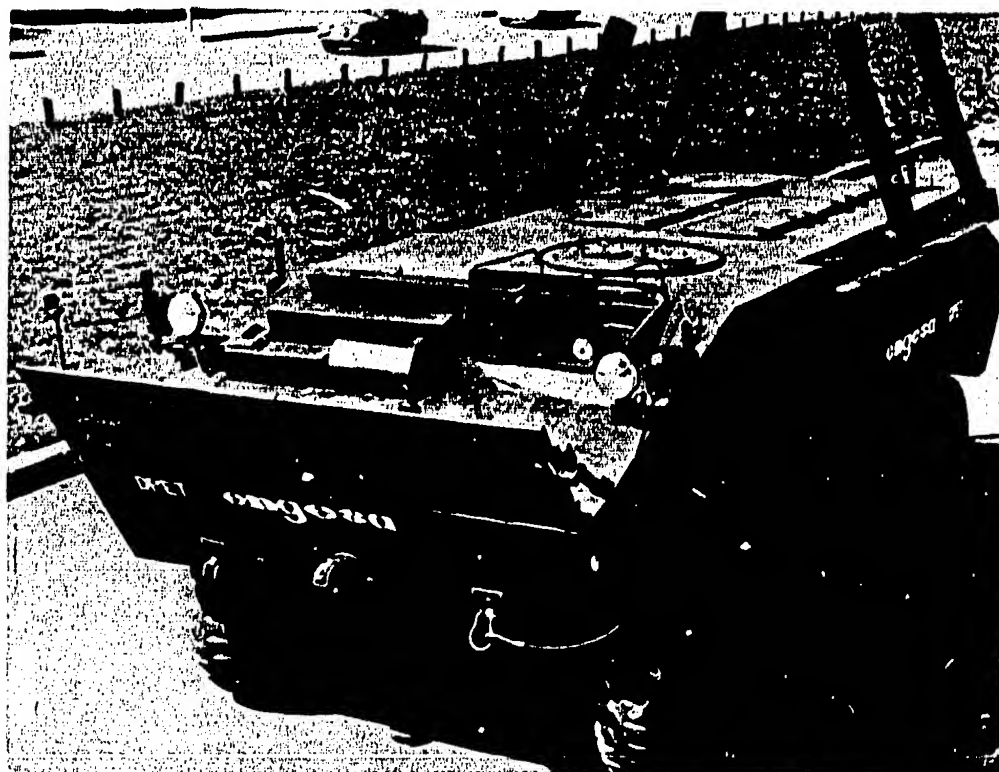
- France – 16 Mirage IIIs in 1970 and a \$70 million air defense and traffic control radar system in 1972;
- The United States – 36 F-5Es in mid-1973, 36 Bell helicopters, and a number of C-130 transport and S-2E antisubmarine warfare aircraft;
- Canada – 24 DHC transports;
- Italy – 112 MB-326G jet trainers for assembly in Brazil; and
- The United Kingdom – 10 HS-125 transports.

Brazil has the largest domestic arms industry in Latin America. This capability has been created and supported through licensing and co-production agreements

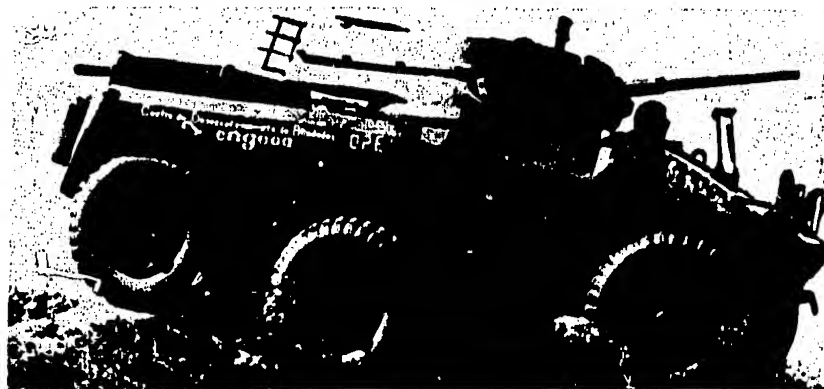
\* The 1970 agreement called for two of the vessels to be built in Brazil. High British costs may result in Brazilian construction of a third.

with at least nine foreign firms. Brazil has begun to rely heavily on domestic output for small arms ammunition and quartermaster supplies, as well as for a wide range of military hardware, including armored vehicles (see Figure 5). It also uses its own shipyards to construct patrol boats and support ships and for refitting foreign-built

Figure 5. Brazil: Domestically Produced Armored Vehicles



EE-11 Urutu Wheeled Amphibious APC



EE-9 Cascavel Wheeled Armored Reconnaissance Car

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ships in its inventory. Brazil's local defense industry also is supplying light transport and trainers for the air force. Unique among Latin American nations, Brazil is developing foreign markets for part of its arms output. During 1970-74, it sold \$110 million worth of arms to foreign governments--\$60 million to other Latin American countries and \$50 million to Libya.

For the next several years, Brazil is expected to limit new arms orders while it assimilates recent purchases. It also is holding down military spending because of budgetary and balance-of-payments constraints. We expect that:

- although the air force will not purchase additional aircraft in the next few years, US Sidewinder missiles will be sought for use on Mirages;
- development of an air defense system may not be delayed by austerity measures; and
- the navy will not place new ship orders for the present and will restrict purchases largely to helicopters.

The only large-scale purchases that appear likely at present are Oto Melara howitzers, for which Italy has offered a large credit, and additional French Roland surface-to-air missile systems, now under negotiation (which Brazil hopes to produce eventually). During 1975, purchases have been limited to 9 Lynx helicopters from the United Kingdom, Oerlikon guns from Switzerland, and some gun mountings from France for use on upgraded US tanks.

## Chile

Santiago has placed \$485 million in foreign orders beginning in 1966, seeking to upgrade its military equipment (see the tabulation). Still, its inventories, partic-

	Million US \$			
	Total 1966-74	1966-69	1970-73	1974
<b>Total</b>	<b>485</b>	<b>215</b>	<b>140</b>	<b>130</b>
United States	140	25	40	75
United Kingdom	220	185	35	....
France	35	....	25	10
Brazil	40	....	....	40
Other	50	5	40	5

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ularly of jet fighters and tanks, are no match for those of Peru, which threatens Chile's security with continuing irredentist claims. Chile's efforts at military modernization began in 1966, with the United Kingdom providing most of the equipment, including:

- 2 Leander-class frigates,
- 2 Oberon-class submarines, and
- 2 squadrons of Hawker-Hunter jet fighters.

During 1970-73 the program lagged as the military withstood pressure from Allende to shift arms procurement to the USSR. Purchases in the West were limited to a few naval craft, helicopters, subsonic jet fighters, and small quantities of ground forces equipment. France was the major supplier, providing the Exocet missile system, SA-330 (PUMA) helicopters, and self-propelled howitzers.

The junta that took over in December 1973 appealed to Washington for military support, in part to ensure Chile's military parity with Peru. The United States agreed in mid-1974 to supply 18 F-5s (see Figure 6) and additional A-37 ground support aircraft because Chile was the only major state in the region without supersonic fighters. Also in 1974, Brazil extended \$40 million in long-term credits for procurement of small arms, ammunition, trucks, and other military support equipment produced by Brazil.

Among West European states, only France has recently agreed to sell major equipment. Under a \$12 million 1974 accord, Paris agreed to provide several Falcon-20 transports and AS-11 and AS-12 air-to-ground missiles. The British have refused a new cash offer for Hawker-Hunter spare parts, although they are fulfilling commitments under previous contracts. Negotiations with France for tanks have stalled over credit arrangements, and discussions with the Dutch for an antisubmarine patrol aircraft broke off because Chile could not finance it. Until Santiago makes its regime rating more acceptable in West European capitals and the country's credit rating improves, Chile will have to rely largely on the United States for major arms supplies. The United States is now considering requests for:

- M-60 (see Figure 7) and M-48 tanks,
- 2 Sumner-class destroyers,
- TOW antitank missile system,

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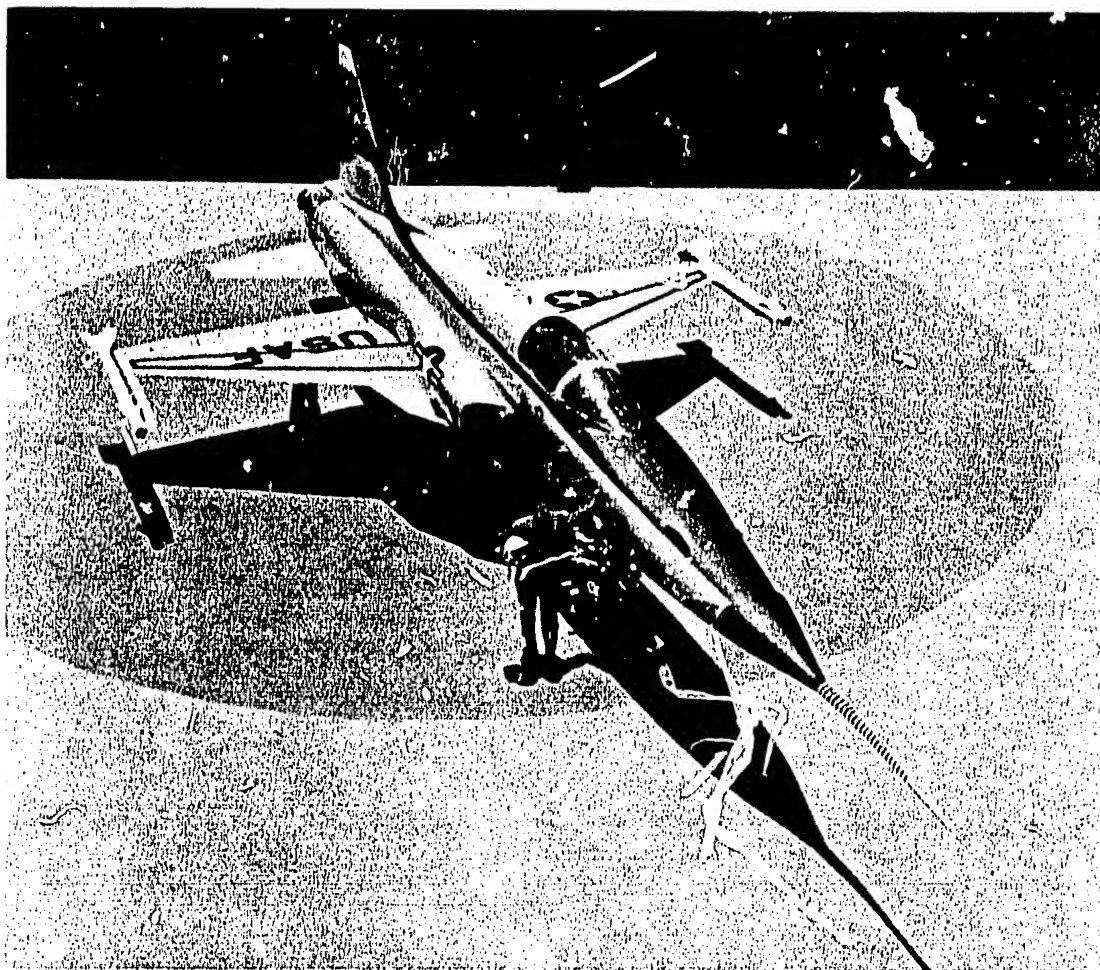


Figure 6. Chile: US F-5 Jet Fighter Ordered in 1974

- M-113 APCs, and
- Cobra helicopters.

#### Colombia

Colombia has purchased more than 80% of its military equipment from Western Europe during 1970-74; before that, most of it came from the United



Figure 7. Chile: US M-60 Medium Tank Ordered in 1974

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States. The major agreements with Western Europe are a \$54 million order for 18 French Mirages and a \$36 million contract for two West German submarines. Other purchases in Europe include midget submarines from Italy and transport aircraft from the United Kingdom and the Netherlands. The United States has supplied several surplus destroyers and patrol boats, C-130 transports, Bell helicopters, and M-113 APCs during the past 5 years. Because Washington refuses to supply Bogota with certain sophisticated weapons, such as the TOW antitank missile system, it is looking to Western Europe and is considering Soviet equipment, reportedly available in return for coffee.

### Ecuador

Since early 1974, Ecuador's military government has placed arms orders in Western Europe and Israel totaling about \$300 million. Supported by expanded oil revenues, Quito's purchases during the past 2 years have been triple orders in the preceding 8 years.

Satisfied with the performance of French armored equipment bought in 1970 and 1974, Ecuador concluded a \$100 million agreement in early 1975 for 178 AMX-13 tanks as well as armored vehicles, support equipment, and ammunition. This order represents the largest purchase of ground force equipment ever made by a Latin American country. Other purchases since early 1974 include:

- 12 Jaguar tactical jet fighters (see Figure 8) from the United Kingdom,

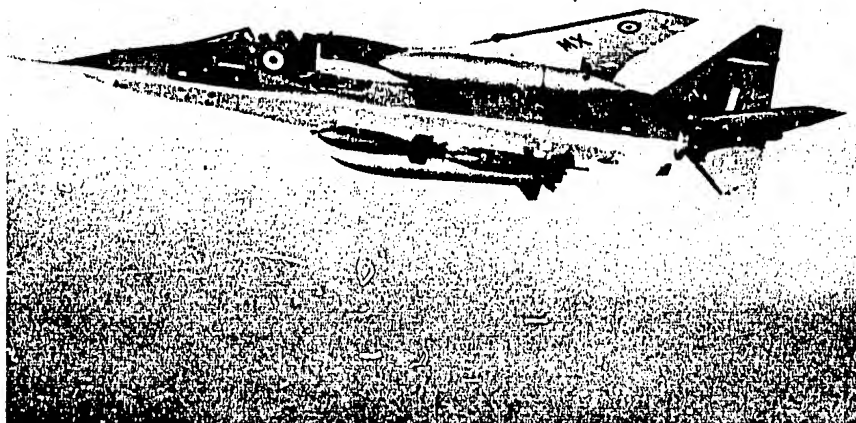


Figure 8. Ecuador: British Jaguar Tactical Jet Fighters Ordered in 1974

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- 4 Lama helicopters and the Magic air-to-air missile system from France,
- 2 1,300-ton submarines from West Germany, and
- 6 Azava S2OL transports from Israel.

Quito presently is negotiating with Israel and Italy for ammunition and mortars and has shown interest in buying US F-5 and A-37B jet fighters, a destroyer, several support ships, and some ground force equipment. If an agreement is worked out, US equipment would be offered under FMS for the first time since 1971, when a ban on FMS credits was imposed on Quito under the Fisherman's Protective Act of 1967.

### Peru

Peru has actively sought advanced weaponry to replace obsolete equipment and to keep alive its claims to territory lost to Chile. After Washington refused to provide high-performance jet aircraft and modern tanks in 1966, Lima turned to Western Europe and Canada. The French agreement to supply Mirage jets in 1967 made the Peruvian air force the first in Latin America to have supersonic aircraft and signaled the end of Washington's dominant supplier position in Peru. Since then the United States has accounted for only about 30% of Peru's arms purchases.

	Million US \$		
	Total 1966-74	1966-69	1970-74
<b>Total</b>	<b>760</b>	<b>230</b>	<b>530</b>
United States	115	30	85
Western Europe	500	125	375
France	120	45	75
Italy	210	Negl.	210
Other	170	80	90
USSR	40	....	40
Other	105	75	30

Major orders placed in Western Europe and Canada include:

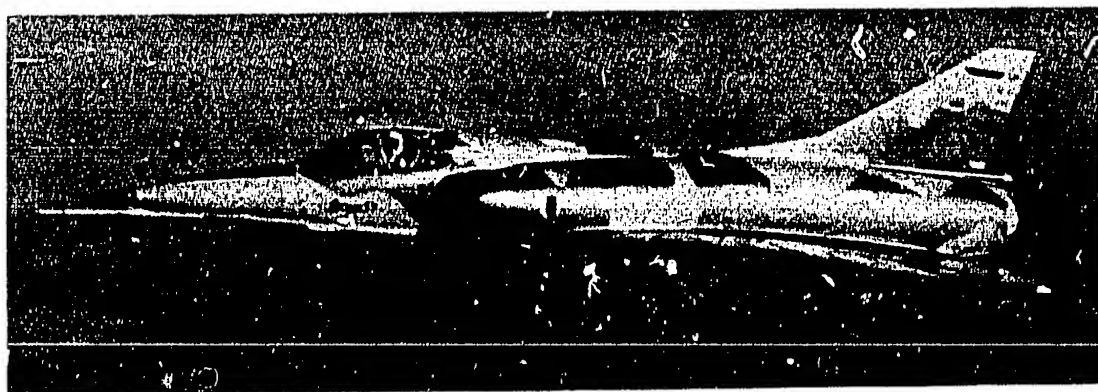
- France – Mirage V and Mirage III jet fighters (see Figure 9), follow-on orders for AMX tanks, the Exocet ship-to-ship missile system, and Alouette helicopters;

SECRET

**Figure 9. Peru: French Mirage Jet Fighters Bought in 1967**



**Mirage III**



**Mirage V**

- United Kingdom – Canberra bombers, Wessex helicopters, and reconditioned Daring-class destroyers;
- Italy – four missile-equipped destroyer escorts;
- West Germany – UR-416 APCs, two submarines, and the Cobra antitank missile system; and
- Canada – transport aircraft.

Following US agreement in May 1973 to reintroduce major FMS arms deliveries that had been cut off in 1967, Washington consented to provide A-37 jet fighters, 2 destroyers, Guppy submarines, and 140 M-113 APCs.



SECRET

In 1973, Peru became the first non-Communist Latin American nation to buy Soviet ordnance. Lima turned to Moscow because it was unable to buy tanks from the United States, and its requested delivery schedules could not be met by West European suppliers. Soviet prices and repayment terms were favorable, and Moscow agreed to provide fast deliveries. Peru's purchases of at least \$40 million worth of Soviet equipment under credit include more than 200 T-55 medium tanks (see Figure 10), artillery, radar-controlled antiaircraft guns, rocket launchers, and



Figure 10. Peru: Soviet T-55 Tanks Bought in 1973

tank transporters. A new agreement also may have been reached with the USSR in 1974 for additional ground force equipment, including a surface-to-air missile system (probably the SA-6). In early 1975 the Peruvian army also ordered 30 MI-8 helicopters from the USSR. Some 35 Peruvian military personnel reportedly are receiving air defense training in the USSR, and 50 Soviet military advisers currently are employed in Peru.

Because of exaggerated suspicions of a Chilean arms buildup and the hopes of some Peruvian officers to regain territory lost to Chile more than a century ago, the military junta in Lima has sought to place large new arms orders in the United States, the USSR, Western Europe, Yugoslavia, and Israel.

Countries with which arms deals have been discussed recently include:

- Israel – for patrol boats, Mirage technical assistance, and logistical support;

- Yugoslavia -- for artillery;
- West Germany -- for the manufacture of UNIMOG vehicles in Peru;
- Spain -- for Aviocar transport aircraft; and
- Belgium -- for small arms and ammunition.

#### Venezuela

Venezuela began to upgrade its military capabilities in the early 1970s. Of the \$465 million worth of arms purchased during 1966-74, 90% has been ordered after 1969. Almost \$300 million was ordered in 1971-72 from France, West Germany, and the United States.

As in most other major Latin American countries, the Mirage jet fighter was high on Caracas' shopping list. Acquisition of these planes, in 1971, was followed by the purchase of Canadian CF-5 jet ground support aircraft. From the United States, Venezuela ordered C-130 transports, jet trainers, and the OV-10 reconnaissance aircraft (see Figure 11). The ground force arsenal was expanded



Figure 11. Venezuela: US OV-10 Reconnaissance Aircraft Ordered in the Early 1970s

through a \$50 million arms deal with France for AMX-30 tanks (see Figure 12), APCs, and self-propelled 155-mm howitzers. Contracts also were signed for Italian 105-mm pack howitzers, for US V-100 armored cars, and for Swedish 40-mm L/70AA anti-aircraft guns.

In keeping with Venezuela's desire for leadership in the Caribbean, its navy contracted for Vosper Thornycroft fast patrol boats from the United Kingdom, submarines from West Germany, and a destroyer, patrol boats, and an LST from the United States. Orders were distributed among suppliers as shown below:

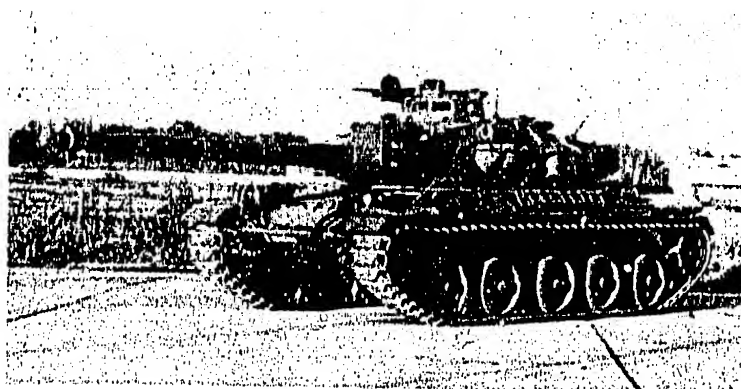


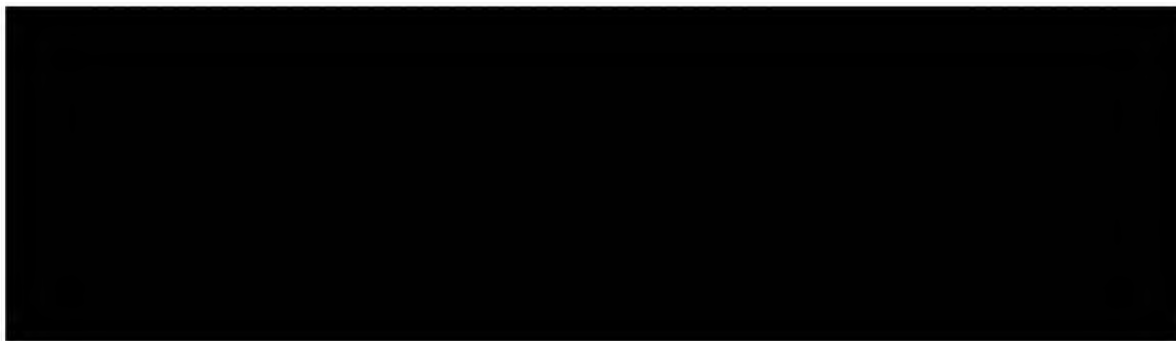
Figure 12. Venezuela: French AMX-30 Tanks Ordered in 1972

	Million US \$		
	Total 1966-74	1966-69	1970-74
Total	465	35	430
United States	140	30	110
France	145	5	140
Italy	15	Negl.	15
West Germany	80	Negl.	80
United Kingdom	35	Negl.	35
Other	50	Negl.	50

Foreign arms procurement fell off sharply in 1973-74. Since mid-1974, however, Venezuela's growing oil revenues have enabled the military services to increase their arms procurement budget. In 1975, spending may reach a record \$500 million. Orders in 1975 will include a \$433 million deal with Italy for the construction of 6 Alpino-class frigates. Caracas has expressed interest in buying British Scorpion tanks and artillery and French support equipment, including missiles for AMX-30 tanks.

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Appendix B. Statistical Tables

Table B-1

Value of Latin American Arms Agreements,<sup>1</sup> by Purchaser

Million Current US \$

	Total							Jan-Nov 1975 <sup>2</sup>
	1966-74	1970-74	1970	1971	1972	1973	1974	
<b>Total</b>	<b>4,000</b>	<b>2,965</b>	<b>890</b>	<b>405</b>	<b>500</b>	<b>625</b>	<b>545</b>	<b>1,045<sup>3</sup></b>
Argentina	475	330	155	40	00	30	40	380
Bolivia	40	30	Negl.	5	10	10	5	20
Brazil	1,000	805	485	50	100	60	80	35
Chile	485	270	25	30	40	45	130	....
Colombia	175	140	105	10	15	5	5	....
Costa Rica	Negl.	Negl.	....	Negl.	Negl.	....	....	....
Dominican Republic	20	5	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.
Ecuador	260	240	20	20	Negl.	45	155	125
El Salvador	25	15	5	Negl.	Negl.	10	Negl.	....
Guatemala	35	25	Negl.	10	5	5	5	10
Guyana	Negl.	Negl.	Negl.	....	....	....	....	....
Haiti	Negl.	Negl.	....	Negl.	Negl.	Negl.	Negl.	....
Honduras	20	10	Negl.	Negl.	Negl.	5	Negl.	....
Jamaica	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.	....
Mexico	60	50	5	Negl.	Negl.	45	Negl.	....
Nicaragua	15	10	Negl.	5	Negl.	Negl.	Negl.	....
Panama	20	15	Negl.	Negl.	5	5	5	Negl.
Paraguay	15	10	Negl.	Negl.	Negl.	Negl.	Negl.	Negl.
Peru	760 <sup>2</sup>	530	80	30	10	325	85	40
Trinidad and Tobago	Negl.	Negl.	Negl.	....	....	....	....	....
Uruguay	40	20	5	5	Negl.	5	5	....
Venezuela	465	430	5	200	165	30	30	435

<sup>1</sup> Sales and aid commitments. Data are for calendar years, except for the United States, which is by fiscal year.

<sup>2</sup> Preliminary.

<sup>3</sup> Excluding US sales and aid commitments, which might add as much as \$200 million to the total.

Table B-2

Value of Latin American Arms Agreements, by Supplier

Million Current US \$

	Total							Jan-Nov 1975 <sup>1</sup>
	1966-74	1970-74	1970	1971	1972	1973	1974	
<b>Total</b>	<b>4,000</b>	<b>2,965</b>	<b>890</b>	<b>405</b>	<b>500</b>	<b>625</b>	<b>545</b>	<b>1,045</b>
United States <sup>2</sup>	1,070	710	75	115	150	145	225	N.A. <sup>3</sup>
West Europe	2,555	2,020	795	225	320	425	255	985
United Kingdom	1,005	680	430	25	80	85	60	405
France	650	570	195	165	100	35	75	125
West Germany	425	365	110	5	110	70	70	Negl.
Italy	310	305	55	Negl.	15	210	25	435
Others	165	100	5	30	15	25	25	20
Other Free World	335	195	20	65	30	20	60	30
USSR	40	40	....	....	....	35	5	30

<sup>1</sup> Preliminary.

<sup>2</sup> US data are for fiscal years.

<sup>3</sup> US data are for fiscal years.

Table B-3

Latin America: Value of Arms Deliveries<sup>1</sup>

Million US \$

	Total						
	1966-74	1970-74	1970	1971	1972	1973	1974
<b>Total</b>	<b>2,300</b>	<b>1,665</b>	<b>150</b>	<b>265</b>	<b>330</b>	<b>495</b>	<b>425</b>
Argentina	355	235	35	30	70	50	50
Bolivia	40	25	Negl. <sup>1</sup>	5	5	10	5
Brazil	470	330	25	60	50	120	75
Chile	270	215	20	30	10	70	85
Colombia	155	105	15	10	35	40	5
Ecuador	65	45	10	10	10	15	Negl.
Peru	415	310	20	65	65	75	85
Venezuela	325	270	5	20	60	90	95
Others	205	130	20	35	25	25	25

<sup>1</sup> Less than \$2.5 million.

Table B-4

Military Expenditures, by Developing Area, 1973

	Billion US \$	As a Percent of GNP
Latin America	4.0	1.3
Africa	2.1	2.8 <sup>1</sup>
East Asia	22.3	3.4
Middle East	10.1	11.9 <sup>1</sup>
South Asia	2.9	3.5

<sup>1</sup> Data are for 1972.

Table B-5

Military Budgets of Latin America's  
Five Largest Arms Purchasers, 1974

	Military Budget Billion US \$	As a Percent of Central Government Budget	As a Percent of GNP
Argentina	0.8	12.8	2.0
Brazil	1.3	11.4	2.5
Chile	0.4	11.0	3.0
Peru	0.3	13.7	2.7
Venezuela	0.4	10.1	2.4

## APPENDIX C

LATIN AMERICA: STATUS OF ARMS SALES, BY SUPPLIERS AND RECIPIENTS<sup>1</sup>

COUNTRY	YEAR OF AGREEMENT	SUPPLIER	MILLION US \$	EQUIPMENT COVERED	DELIVERY STATUS
ARGENTINA	1966	BELGIUM	.6	1310 7.62MM MACHINEGUNS	COMPLETED
	1966	FRANCE	.5	45 T-28 TRAINER AIRCRAFT	COMPLETED
	1967	BELGIUM	.2	2000 2.75 INCH AIRCRAFT ROCKETS	COMPLETED
	1967	FRANCE	.2	20 T-28 TRAINER AIRCRAFT	COMPLETED
	1967	UNITED KINGDOM	4.3	6 RECONDITIONED MINESWEEPERS	COMPLETED
	1968	CANADA	6.0	15 DCH-6 TRANSPORT AIRCRAFT	COMPLETED
	1968	FRANCE	.5	PHOTOMAPPING, REPRODUCTION EQUIPMENT	COMPLETED
	1968	FRANCE	2.1	2 AMX BRIDGES, 28 AMX-VCC ARMORED PERSONNEL CARRIERS, 4 AMX-VCL ARMORED COMBAT VEHICLES	COMPLETED
	1968	FRANCE	8.6	58 AMX-13 TANKS	COMPLETED
	1968	FRANCE	4.2	28 155MM SELF-PROPELLED GUNS, SPARE PARTS	COMPLETED
	1968	ITALY	2.4	60 105MM HOWITZERS	COMPLETED
	1968	ITALY	4.0	6 MB-326K JET TRAINER AIRCRAFT, SPARE PARTS	COMPLETED
	1968	NETHERLANDS	6.0	COLOSSUS CLASS SMALL AIRCRAFT CARRIER	COMPLETED
	1968	NETHERLANDS	18.0	8 F-27 TRANSPORT AIRCRAFT, SPARE PARTS	COMPLETED
	1968	SPAIN	.4	ROCKET LAUNCHERS, AMMUNITION	COMPLETED
	1968	SWITZERLAND	2.2	72 HOWAG ARMORED VEHICLES	COMPLETED
	1969	BELGIUM	.1	7.62MM AMMUNITION	COMPLETED
	1969	FRANCE	1.3	3 ALOUETTE III HELICOPTERS	COMPLETED
	1969	SWITZERLAND	4.5	GROUND FORCES EQUIPMENT	COMPLETED
	1969	UNITED KINGDOM	12.0	12 CANBERRA 80BERS (P2-CONDITIONED)	COMPLETED
	1969	UNITED KINGDOM	4.8	6 HS-125 TRANSPORT AIRCRAFT	COMPLETED
	1969	UNITED KINGDOM	1.9	2 WESTLAND HELICOPTERS	COMPLETED
	1969	WEST GERMANY	18.0	2 TYPE 209 SUBMARINES	COMPLETED
	1969	WEST GERMANY	.5	COBRA ANTITANK MISSILE SYSTEM	COMPLETED
	1970	BELGIUM	.3	1000 5 INCH AIRCRAFT ROCKETS	COMPLETED
	1970	FRANCE	40.0	10 MIFAGE III FIGHTERS, 2 TRAINER AIRCRAFT	COMPLETED
	1970	FRANCE	2.1	7 ALOUETTE III HELICOPTERS	COMPLETED
	1970	ITALY	.3	AIRCRAFT SPARE PARTS	COMPLETED
	1970	NETHERLANDS	.5	1000 PORTABLE FM RADIOS	COMPLETED
	1970	NETHERLANDS	2.5	2 F-27 TRANSPORT AIRCRAFT	COMPLETED
	1970	UNITED KINGDOM	3.0	5 SKYVAN TRANSPORT AIRCRAFT	COMPLETED
	1970	UNITED KINGDOM	3.0	TIGERCAT SUKFACE TO AIR MISSILE SYSTEM	COMPLETED
	1970	UNITED KINGDOM	72.0	2 TYPE 42 GUIDED MISSILE DESTROYERS	COMPLETED
	1971	FRANCE	4.0	2 PORTABLE GROUND RADARS	NO INFORMATION
	1971	FRANCE	2.4	SURVEILLANCE RADAR	COMPLETED
	1971	FRANCE	10.0	AIRCRAFT ENGINES	NO INFORMATION
	1971	ITALY	.1	AIRCRAFT SPARE PARTS	COMPLETED
	1971	SWITZERLAND	.2	6 HOWAG ARMORED VEHICLES	COMPLETED

1. Excluding US and Communist country sales.

YEAR OF AGREEMENT	SUPPLIER	MILLION US \$	EQUIPMENT COVERED	DELIVERY STATUS
1972	NETHERLANDS	.7	1100 PORTABLE FM RADIOS	COMPLETED
1972	SWITZERLAND	.8	AMMUNITION	COMPLETED
1972	WEST GERMANY	28.0	2 TYPE TNC 45 FOOT FAST PATROL BOATS, SPARE PARTS	COMPLETED
1973	FRANCE	.4	8 HAVAS MK4 SWIMMER SMALL SUBMARINES	COMPLETED
1973	FRANCE	1.0	ANTI-TANK MISSILES	NO INFORMATION
1973	FRANCE	.2	AMMUNITION	COMPLETED
1974	ITALY	18.9	2 G-222 TRANSPORT AIRCRAFT	UNDER WAY
1974	NETHERLANDS	23.0	5 F-28 TRANSPORT AIRCRAFT	NO INFORMATION
1975	UNITED KINGDOM	1.2	RADIOS	NO INFORMATION
1975	UNITED KINGDOM	379.0	6 TYPE 21 FRIGATES	NO INFORMATION
<b>BOLIVIA</b>				
1966	SWITZERLAND	NEG.	200 7.62MM RIFLES, AMMUNITION	COMPLETED
1967	BRAZIL	NEG.	500 2.5 INCH ROCKETS, PROPELLANTS	COMPLETED
1968	PERU	NEG.	2 T-6 TRAINER AIRCRAFT	COMPLETED
1969	ARGENTINA	.5	2 T-6 TRAINER, 3 C-47 TRANSPORT AIRCRAFT	COMPLETED
1969	ISRAEL	NEG.	SUBMACHINEGUNS, AMMUNITION	COMPLETED
1969	PERU	NEG.	AMMUNITION	COMPLETED
1970	ARGENTINA	NEG.	6 75MM HOWITZERS, FIRE CONTROL EQUIPMENT	COMPLETED
1970	SWITZERLAND	1.0	300 RIFLES, 500 MACHINEGUNS	COMPLETED
1971	ARGENTINA	NEG.	GROUND FORCES EQUIPMENT	COMPLETED
1971	BRAZIL	.3	12 T-6 TRAINER AND 8 T-21 TRAINER AIRCRAFT	COMPLETED
1971	BRAZIL	.1	RIFLES, BAYONETS, AMMUNITION	COMPLETED
1971	BRAZIL	NEG.	VEHICLES	COMPLETED
1971	BRAZIL	.1	5 T-6 TRAINER AIRCRAFT	COMPLETED
1972	AUSTRIA	.4	AMMUNITION	COMPLETED
1972	BRAZIL	.2	8 T-21 TRAINER AIRCRAFT	COMPLETED
1972	PERU	NEG.	VEHICLES	COMPLETED
1972	SPAIN	1.4	6 CONVIAIR 440 TRANSPORT AIRCRAFT	COMPLETED
1972	SWITZERLAND	1.1	24 ROLAND ARMORED PERSONNEL CARRIERS	COMPLETED
1973	ARGENTINA	NEG.	1 36 FOOT RIVER PATROL BOAT	COMPLETED
1973	BRAZIL	.1	12 T-6 TRAINER AIRCRAFT	COMPLETED
1973	CANADA	4.6	13 T-33 JET TRAINER AIRCRAFT	UNDER WAY
1973	JAPAN	NEG.	QUARTERMASTER SUPPLIES	COMPLETED
1973	SWITZERLAND	1.0	10000 7.62MM RIFLES	COMPLETED
1973	VENEZUELA	.2	10 USED TANKS, ARMORED PERSONNEL CARRIERS, SMALL ARMS, COMMUNICATIONS EQUIPMENT	UNDER WAY
1973	VENEZUELA	.2	12-15 JET FIGHTER AND 12-14 BOMBER AIRCRAFT	COMPLETED
1974	BRAZIL	.3	18 T-23 TRAINER AIRCRAFT	COMPLETED
1974	FRANCE	1.0	3 LAMA 3158 HELICOPTERS	UNDER WAY
1975	BRAZIL	15.0	ARMORED VEHICLES, MORTAR AMMUNITION	UNDER WAY
1975	BRAZIL	.1	12 T-6 TRAINER AIRCRAFT	UNDER WAY
1975	ISRAEL	5.5	6 ARAVA STOL TRANSPORT AIRCRAFT	UNDER WAY



BRAZIL	1966	BELGIUM	NEG.	RIFLES	COMPLETED
	1966	BELGIUM	NEG.	RIFLE GRENADES	COMPLETED
	1966	UNITED KINGDOM	-5	3 WESTLAND WASP HELICOPTERS	COMPLETED
	1967	BELGIUM	1.7	SMALL ARMS, AMMUNITION	COMPLETED
	1967	CANADA	20.2	12 CHC-5 TRANSPORT AIRCRAFT	COMPLETED
	1967	UNITED KINGDOM	-7	3 WESTLAND WHIRLWIND HELICOPTERS	COMPLETED
	1967	UNITED KINGDOM	7-2	6 HS-748 TRANSPORT AIRCRAFT	COMPLETED
	1968	CANADA	27.0	12 DHC-5 TRANSPORT AIRCRAFT	COMPLETED
	1968	FRANCE	8.0	7 FOUGA TRAINER AIRCRAFT	COMPLETED
	1968	UNITED KINGDOM	5.4	2 BAC-111 TRANSPORT AIRCRAFT	UNDER WAY
	1968	UNITED KINGDOM	5.5	6 HS 125 TRANSPORT AIRCRAFT	COMPLETED
	1969	BELGIUM	-5	RIFLES	COMPLETED
	1969	SPAIN	-1	AMMUNITION	NO INFORMATION
	1969	UNITED KINGDOM	35.6	2 OBERON-CLASS SUBMARINES	UNDER WAY
	1969	WEST GERMANY	13.6	2 SCHUTZE-CLASS MINESWEEPERS	COMPLETED
	1970	FRANCE	75.0	12 MIRAGE III JET FIGHTERS AND 4 MIRAGE IIIB TRAINER AIRCRAFT	COMPLETED
	1970	ITALY	52.0	112 MB-236G JET TRAINER AIRCRAFT	UNDER WAY
	1970	UNITED KINGDOM	346.7	6 TYPE-10 GUIDED MISSILE DESTROYERS	UNDER WAY
	1970	WEST GERMANY	1.8	SMALL ARMS	COMPLETED
	1971	BELGIUM	7.0	RIFLES, MACHINEGUNS, COMPONENTS UNDER LICENSING AGREEMENT	COMPLETED
	1971	UNITED KINGDOM	13.0	SUPPORT EQUIPMENT FOR TYPE-10 DESTROYER	UNDER WAY
	1971	UNITED KINGDOM	1.2	SUPPORT EQUIPMENT FOR OBERON-CLASS SUBMARINE	NO INFORMATION
	1972	AUSTRALIA	-30.0	4 IKARA ASW MISSILE SYSTEMS	UNDER WAY
	1972	FRANCE	70.0	AIR TRAFFIC CONTROL SYSTEM	UNDER WAY
	1972	FRANCE	13.5	ROLAND I SURFACE-TO-AIR MISSILE SYSTEM	UNDER WAY
	1972	ITALY	5.0	SMALL ARMS	UNDER WAY
	1972	UNITED KINGDOM	25.0	1 OBERON-CLASS SUBMARINE	UNDER WAY
	1972	UNITED KINGDOM	5.3	4 HS-125 TRANSPORT AIRCRAFT	COMPLETED
	1972	WEST GERMANY	-7	COBRA ANTI-TANK MISSILE SYSTEM	UNDER WAY
	1972	WEST GERMANY	2.7	ARMORED PERSONNEL CARRIERS	NO INFORMATION
	1973	ITALY	-1	SMALL ARMS, SPARE PARTS	COMPLETED
	1973	UNITED KINGDOM	1.3	1 HS-125 TRANSPORT AIRCRAFT	NO INFORMATION
	1973	UNITED KINGDOM	7.5	COMMUNICATIONS EQUIPMENT	NO INFORMATION
	1973	UNITED KINGDOM	4.4	RADAR	NO INFORMATION
	1973	WEST GERMANY	1.4	20MM CANNONS	NO INFORMATION
	1973	WEST GERMANY	-2	PROPELLANT PLANT	NO INFORMATION
	1973	WEST GERMANY	21.0	2 SCHULTZ-CLASS MINESWEEPERS	UNDER WAY
	1974	FRANCE	1.5	MINES	NO INFORMATION
	1974	FRANCE	N/A	ROLAND II SURFACE-TO-AIR MISSILE SYSTEM FOR TESTING	COMPLETED

YEAR OF AGREEMENT	SUPPLIER	MILLION US \$	EQUIPMENT COVERED	DELIVERY STATUS
1974	FRANCE	2.1	53 90MM GUNS, AMMUNITION	NO INFORMATION
1974	ITALY	2.2	AIRCRAFT SPARE PARTS	NO INFORMATION
1974	UNITED KINGDOM	9.0	6 HS-748 TRANSPORT AIRCRAFT	UNDER WAY
1975	AUSTRIA	.8	SMALL ARMS	NO INFORMATION
1975	FRANCE	3.7	53 90MM GUNS AND TURRETS, AMMUNITION	COMPLETED
1975	SWITZERLAND	5.2	3 BATTERIES DERLIKON ANTI-AIRCRAFT GUNS	NO INFORMATION
1975	UNITED KINGDOM	24.0	9 LYNX HELICOPTERS	UNDER WAY
1966	CANADA	1.7	8 DHC-6 TRANSPORT AIRCRAFT	COMPLETED
1966	UNITED KINGDOM	16.0	21 HAWKER HUNTER JET FIGHTERS	COMPLETED
1967	DENMARK	.3	TRANSPORT SHIP	COMPLETED
1967	SWITZERLAND	1.9	10 MOWAG ARMORED VEHICLES	COMPLETED
1968	SPAIN	.2	40MM AMMUNITION	COMPLETED
1968	WEST GERMANY	.2	40MM AMMUNITION	COMPLETED
1969	BELGIUM	.1	AMMUNITION	COMPLETED
1969	ITALY	.8	105MM HOWITZERS	COMPLETED
1969	JAPAN	.3	125 VEHICLES	COMPLETED
1969	UNITED KINGDOM	150.0	2 LEANDER-CLASS FRIGATES, 2 OBERON-CLASS SUBMARINES	COMPLETED
1969	UNITED KINGDOM	16.0	21 HAWKER-HUNTER JET FIGHTER AIRCRAFT	COMPLETED
1969	UNITED KINGDOM	1.0	30MM AMMUNITION	COMPLETED
1969	UNITED KINGDOM	1.1	273 VEHICLES	COMPLETED
1969	WEST GERMANY	.6	SMALL ARMS	COMPLETED
1969	WEST GERMANY	.1	SMALL ARMS AMMUNITION	COMPLETED
1969	WEST GERMANY	.3	8 FIRETRUCKS	COMPLETED
1969	WEST GERMANY	.4	80 UNIMOG VEHICLES	COMPLETED
1970	FRANCE	.1	AMMUNITION, MINES, ROCKETS	COMPLETED
1970	FRANCE	2.9	AS-11, AS-12 AIR-TO-GROUND MISSILES	COMPLETED
1970	FRANCE	6.0	EXOCET MISSILE SYSTEM	COMPLETED
1970	ITALY	.2	AMMUNITION	NO INFORMATION
1970	ITALY	3.0	SUPPORT EQUIPMENT	NO INFORMATION
1970	JAPAN	NEG.	VEHICLES	COMPLETED
1970	SPAIN	.5	81MP AMMUNITION	COMPLETED
1970	WEST GERMANY	.7	SMALL ARMS	COMPLETED
1971	AUSTRIA	1.1	AMMUNITION, HELMET LINERS	COMPLETED
1971	BELGIUM	1.1	AMMUNITION, MINES	NO INFORMATION
1971	FRANCE	1.8	8 155MM SELF-PROPELLED HOWITZERS	COMPLETED
1971	FRANCE	6.0	EXOCET MISSILE SYSTEM	COMPLETED
1971	ISRAEL	.1	PRC-77 RADIOS	NO INFORMATION
1971	SWEDEN	12.0	1 CRUISER (RECONDITIONED)	COMPLETED
1971	SWITZERLAND	.6	20MM AMMUNITION	COMPLETED
1971	UNITED KINGDOM	1.2	SUPPORT EQUIPMENT	COMPLETED
1971	WEST GERMANY	.1	AMMUNITION	COMPLETED

CHILE

1972	BELGIUM	6.3	AMMUNITION	COMPLETED
1972	FRANCE	8.3	9 PUMA HELICOPTERS	COMPLETED
1972	ITALY	3.6	2 SX-506 SUBMARINES	COMPLETED
1972	ITALY	1.0	105MM AMMUNITION	COMPLETED
1972	ITALY	2.1	76MM GUN MOUNTS	COMPLETED
1972	ITALY	.4	TORPEDOES	NO INFORMATION
1972	JAPAN	.2	100 VEHICLES	COMPLETED
1972	SPAIN	.4	24 VEHICLES, ROCKETS	COMPLETED
1972	UNITED KINGDOM	NEG.	50 9MM MACHINEGUNS	COMPLETED
1972	UNITED KINGDOM	8.0	8 HAWKER-HUNTER JET FIGHTER AIRCRAFT	UNDER WAY
1972	UNITED KINGDOM	.2	10 VAMPIRE TRAINER AIRCRAFT	UNDER WAY
1972	WEST GERMANY	.3	MACHINEGUNS, AMMUNITION	COMPLETED
1973	FRANCE	1.1	1 PUMA HELICOPTER	NO INFORMATION
1973	ITALY	1.3	ANTI-AIRCRAFT GUNS, COMMUNICATIONS EQUIPMENT	NO INFORMATION
1973	SPAIN	3.0	AMMUNITION PLANT	NO INFORMATION
1973	UNITED KINGDOM	24.5	SPARE PARTS, LABOR FOR OVERHAUL OF 2 DESTROYERS	UNDER WAY
1974	BRAZIL	2.6	10 T-25 AIRCRAFT	COMPLETED
1974	BRAZIL	40.0	ARMORED VEHICLES, AMMUNITION, QUARTERMASTER SUPPLIES	UNDER WAY
1974	FRANCE	.4	ANTITANK ROCKETS	NO INFORMATION
1974	FRANCE	3.0	300 AS-11 AND AS-12 AIR-TO-GROUND MISSILE	UNDER WAY
1974	FRANCE	8.8	4 FALCON-20 TRANSPORT AIRCRAFT	NO INFORMATION
1974	SPAIN	3.3	MORTAR AMMUNITION	COMPLETED
1974	SPAIN	1.0	BOMBS	COMPLETED
1974	TURKEY	.2	RIFLES	COMPLETED
1974	WEST GERMANY	1.0	TELECOMMUNICATIONS EQUIPMENT	NO INFORMATION
1975	DOMINICAN REPUB	N.A	SMALL ARMS, AMMUNITION, CANNONS	COMPLETED
1966	ITALY	NEG.	SMALL ARMS	COMPLETED
1966	SPAIN	3.5	TRAINING SHIP	COMPLETED
1969	BRAZIL	.2	4 C-54 TRANSPORT AIRCRAFT	COMPLETED
1970	FRANCE	54.0	18 MIRAGE-5 JET FIGHTER AIRCRAFT	COMPLETED
1970	WEST GERMANY	2.8	SMALL ARMS	COMPLETED
1970	WEST GERMANY	36.0	2 TYPE-209 SUBMARINES	UNDER WAY
1971	BELGIUM	.1	RIFLES, GRENADES, AMMUNITION	COMPLETED
1971	NETHERLANDS	4.8	1 F-28 TRANSPORT AIRCRAFT	COMPLETED
1971	SPAIN	.2	120MM MORTAR AMMUNITION	COMPLETED
1971	WEST GERMANY	2.8	SMALL ARMS	COMPLETED
1972	AUSTRIA	.3	SMALL ARMS AMMUNITION	COMPLETED
1972	ITALY	3.6	2 TYPE SX506 MIDGET SUBMARINES	COMPLETED
1972	SWITZERLAND	.4	183 RADIOS	COMPLETED
1972	UNITED KINGDOM	6.5	4 HS-748 TRANSPORT AIRCRAFT	COMPLETED
1973	BELGIUM	.4	GRENADES	COMPLETED

COLOMBIA

YEAR OF AGREEMENT	SUPPLIER	MILLION US \$	EQUIPMENT COVERED	DELIVERY STATUS
1973	BRAZIL	.6	AMMUNITION	COMPLETED
1974	FRANCE	1.3	SMALL ARMS AMMUNITION	NO INFORMATION
1974	WEST GERMANY	.1	1100 G-3 RIFLES	COMPLETED
<b>COSTA RICA</b>				
1966	WEST GERMANY	.1	AMMUNITION	COMPLETED
1969	JAPAN	.1	50 TOYOTA SEDANS	COMPLETED
1971	WEST GERMANY	.1	AMMUNITION	COMPLETED
<b>DOMINICAN REPUBLIC</b>				
1967	FRANCE	.4	2 ALOUETTE II HELICOPTERS	COMPLETED
1967	FRANCE	.2	1 ALOUETTE III HELICOPTER	COMPLETED
1971	BELGIUM	.1	RIFLES	COMPLETED
1972	BELGIUM	NEG.	RIFLES	COMPLETED
1973	FRANCE	.4	2 ALOUETTE III HELICOPTERS	COMPLETED
1974	BELGIUM	NEG.	SMALL ARMS	COMPLETED
1975	BELGIUM	.5	SMALL ARMS, AMMUNITION	COMPLETED
1975	ISRAEL	NEG.	SMALL ARMS	COMPLETED
<b>ECUADOR</b>				
1969	WEST GERMANY	5.0	3 115-TON PATROL BOATS	COMPLETED
1970	BELGIUM	.6	AMMUNITION	COMPLETED
1970	FRANCE	11.2	41 AMX-13 TANKS, 27 AML-245 ARMORED CARS	COMPLETED
1970	SWITZERLAND	.5	6 40MM GUNS, 3 81MM ROCKET LAUNCHES, AMMUNITION	COMPLETED
1970	UNITED KINGDOM	.5	SKYVAN TRANSPORT AIRCRAFT	COMPLETED
1970	UNITED KINGDOM	3.9	3 HS-748 TRANSPORT AIRCRAFT	COMPLETED
1970	WEST GERMANY	1.5	AMMUNITION FOR AIR FORCE	NO INFORMATION
1971	CHILE	.6	3 DC-68 TRANSPORT AIRCRAFT	NO INFORMATION
1971	FRANCE	3.3	2 PUMA, 4 ALOUETTE III, AND 2 ALOUETTE II HELICOPTERS	NO INFORMATION
1971	UNITED KINGDOM	9.8	8 STRIKEMASTER JET FIGHTERS	COMPLETED

1972	BELGIUM	-6	RIFLES, MACHINEGUNS	COMPLETED
1972	SPAIN	-6	RECOILLESS RIFLES, AMMUNITION	COMPLETED
1974	CANADA	12.5	3 DHE-6 AND 2 DHC-5 TRANSPORT AIRCRAFT	NO INFORMATION
1974	FRANCE	7.4	2 DHC-5, 3 DHC-6 TRANSPORT AIRCRAFT	UNDER WAY
1974	FRANCE	N.A	4 100 TON BOATS, 4 RIVER LAUNCHES, 4 PATROL BOATS	COMPLETED
1974	FRANCE	26.2	40 AMX-13 TANKS, 6 155MM HOWITZERS, 4 LAMA HELICOPTERS	UNDER WAY
1974	ISRAEL	3.7	6 ARAVA STOL TRANSPORT AIRCRAFT, COMMUNICATIONS EQUIPMENT	COMPLETED
1974	UNITED KINGDOM	50.0	12 JAGUAR JET FIGHTER AIRCRAFT	UNDER WAY
1974	WEST GERMANY	66.0	2 1300 TON SUBMARINES	UNDER WAY
1975	BRAZIL	-3	JEEPS	COMPLETED
1975	FRANCE	104.0	178 AMX-13 ARMORED VEHICLES, AMMUNITION	NO INFORMATION
1975	FRANCE	12.8	MAGIC AIR-TO-AIR MISSILES, AIRCRAFT ORDNANCE	NO INFORMATION
1975	SPAIN	3.6	1 TRAINING SHIP	UNDER WAY

GUATEMALA				
1968	WEST GERMANY	-9	RIFLES, MACHINEGUNS, AMMUNITION	COMPLETED
1968	UNITED KINGDOM	-2	RADIOS, MOFAR AMMUNITION	COMPLETED
1969	PANAMA	NEG.	VHF RADIOS	COMPLETED
1969	SPAIN	-5	AMMUNITION	COMPLETED
1969	WEST GERMANY	1.4	RIFLES, VEHICLES	COMPLETED
1970	YUGOSLAVIA	3.2	MORTARS, HOWITZERS, AA GUNS	COMPLETED
1970	WEST GERMANY	-1	VEHICLES, AMMUNITION	COMPLETED
1970	WEST GERMANY	-6	10 UR-416 ARMORED VEHICLES	COMPLETED
1972	FRANCE	-3	HELICOPTERS	COMPLETED
1972	WEST GERMANY	NEG.	VEHICLES	COMPLETED
1973	ISRAEL	8.0	18 OURAGON JET FIGHTERS, 3 FOUCA TRAINER AIRCRAFT, 2 ARAVA STOL TRANSPORT AIRCRAFT	UNDER WAY
1973	JAPAN	-1	TOYOTA VEHICLES	COMPLETED

1969	BELGIUM	-1	AMMUNITION	COMPLETED
1969	SPAIN	1.1	SMALL ARMS, AMMUNITION	NO INFORMATION
1971	BELGIUM	-2	AMMUNITION	COMPLETED
1971	TURKEY	-1	AMMUNITION	COMPLETED
1974	FRANCE	-6	8 AMX-13 TANKS	NO INFORMATION
1975	ISRAEL	10.0	10 ARAVA STOL TRANSPORT AIRCRAFT	UNDER WAY

YEAR OF AGREEMENT	SUPPLIER	MILLION US \$	EQUIPMENT COVERED	DELIVERY STATUS
<b>GUYANA</b>				
1966	UNITED KINGDOM	.2	SMALL ARMS, VEHICLES	COMPLETED
1969	BELGIUM	NEG.	AMMUNITION	COMPLETED
1969	ISRAEL	NEG.	SMALL ARMS, 8 3 INCH MORTARS	COMPLETED
1969	UNITED KINGDOM	.7	SMALL ARMS, TRUCKS	COMPLETED
1970	BELGIUM	NEG.	AMMUNITION	COMPLETED
1970	UNITED KINGDOM	.3	3 40 FOOT PATROL BOATS	COMPLETED
1970	UNITED KINGDOM	.4	2 BN-2 ISLANDER TRANSPORT AIRCRAFT	COMPLETED
<b>HAITI</b>				
1973	ISRAEL	.1	SMALL ARMS, AMMUNITION	COMPLETED
1973	JORDAN	.5	ANTI-AIRCRAFT GUNS, SMALL ARMS, MORTARS, AMMUNITION	COMPLETED
1973	NICARAGUA	.3	SMALL ARMS, MORTARS	COMPLETED
1974	BELGIUM	NEG.	2 90MM CANNON	COMPLETED
1974	FRANCE	NEG.	AMMUNITION	COMPLETED
1974	ISRAEL	NEG.	4 106MM RECOILLESS RIFLES	COMPLETED
1974	UNITED KINGDOM	.1	4 20MM ANTI-AIRCRAFT GUNS	COMPLETED
1974	WEST GERMANY	.1	RIFLES	COMPLETED
<b>HONDURAS</b>				
1969	BELGIUM	2.3	SMALL ARMS, AMMUNITION	COMPLETED
1969	FRANCE	1.7	MORTARS, SMALL ARMS, AMMUNITION	COMPLETED
1969	PORTUGAL	3.4	SMALL ARMS, AMMUNITION	COMPLETED
1970	COSTA RICA	NEG.	1 B-26 BOMBER AIRCRAFT	COMPLETED
1970	NICARAGUA	NEG.	1 C-54 TRANSPORT AIRCRAFT	COMPLETED
1970	SPAIN	.1	SMALL ARMS, AMMUNITION	COMPLETED
1970	VENEZUELA	1.5	6 F-86 JET FIGHTER AIRCRAFT	COMPLETED
1972	GUATEMALA	.1	1 C-54 TRANSPORT AIRCRAFT, SMALL ARMS	COMPLETED

COMPLETED  
COMPLETED  
COMPLETED  
COMPLETED  
COMPLETED  
COMPLETED  
COMPLETED

JAMAICA  
1966  
1967  
1969  
1970  
1971  
1972  
1973

UNITED KINGDOM  
CANADA  
BELGIUM  
BELGIUM  
BELGIUM  
UNITED KINGDOM  
UNITED KINGDOM

NEG.  
-4  
NEG.  
NEG.  
NEG.  
-2  
-1

8 81MM MORTARS  
1 DHC-6 TRANSPORT AIRCRAFT  
SMALL ARMS, AMMUNITION  
SMALL ARMS, AMMUNITION  
SMALL ARMS  
2 8N-2 ISLANDER TRANSPORT AIRCRAFT  
COMMUNICATIONS EQUIPMENT

COMPLETED  
COMPLETED  
COMPLETED  
COMPLETED  
COMPLETED  
COMPLETED  
COMPLETED  
COMPLETED  
COMPLETED  
COMPLETED  
UNDER WAY  
COMPLETED  
COMPLETED

MEXICO  
1969  
1969  
1970  
1971  
1973  
1973  
1973  
1973  
1973  
1973  
1973  
1973

BELGIUM  
FRANCE  
BELGIUM  
UNITED KINGDOM  
FRANCE  
ISRAEL  
JAPAN  
SWITZERLAND  
SWITZERLAND  
UNITED KINGDOM  
UNITED KINGDOM  
UNITED KINGDOM  
UNITED KINGDOM

2.5  
-7  
-3  
-8  
-4  
5.0  
-7  
NEG.  
-6  
37.0  
1.5  
-6  
-2

SMALL ARMS, AMMUNITION  
3 ALQUETTE III HELICOPTERS  
AMMUNITION  
6 8N-2 ISLANDER TRANSPORT AIRCRAFT  
2 ALQUETTE HELICOPTERS  
5 APAVA STOL TRANSPORT AIRCRAFT  
1 MU-2J TRANSPORT AIRCRAFT  
ARTILLERY AIMING DEVICES  
12 ARMORED PERSONNEL CARRIERS  
21 PATROL CRAFT  
30 ARMORED PERSONNEL CARRIERS  
1 SKYVAN TRANSPORT AIRCRAFT  
1 OH-125 TRANSPORT AIRCRAFT

COMPLETED  
COMPLETED  
COMPLETED  
COMPLETED  
COMPLETED

NICARAGUA  
1966  
1967  
1971  
1971  
1973  
1973

ITALY  
JAPAN  
BELGIUM  
WEST GERMANY  
BELGIUM  
ISRAEL

NEG.  
NEG.  
-3  
NEG.  
NEG.  
-5

SMALL ARMS  
VEHICLES  
SMALL ARMS, AMMUNITION  
AMMUNITION, QUARTERMASTER SUPPLIES  
AMMUNITION, GRENADES  
1 ARAVA STOL TRANSPORT AIRCRAFT

YEAR OF AGREEMENT	SUPPLIER	MILLION US \$	EQUIPMENT COVERED	DELIVERY STATUS
<b>PANAMA</b>				
1969	BELGIUM	.3	SMALL ARMS, AMMUNITION	COMPLETED
1969	FRANCE	.1	COMMUNICATIONS EQUIPMENT	COMPLETED
1969	UNITED KINGDOM	1.6	2 103 FOOT PATROL BOATS	COMPLETED
1970	BELGIUM	.2	SMALL ARMS, AMMUNITION	COMPLETED
1970	CANADA	.4	1 DHC-6 TRANSPORT AIRCRAFT	COMPLETED
1971	BELGIUM	NEG.	SMALL ARMS, AMMUNITION	COMPLETED
1971	ISRAEL	NEG.	QUARTERMASTER SUPPLIES	COMPLETED
1972	BELGIUM	.2	SMALL ARMS, AMMUNITION	COMPLETED
1972	ISRAEL	.3	MORTARS, COMMUNICATIONS EQUIPMENT	COMPLETED
1972	SPAIN	2.2	TRUCKS	COMPLETED
1972	UNITED KINGDOM	NEG.	AMMUNITION	COMPLETED
1972	WEST GERMANY	.1	VEHICLES	COMPLETED
1973	BELGIUM	NEG.	AMMUNITION, SPARE PARTS	COMPLETED
1973	JAPAN	.1	46 DATSUNS	COMPLETED
1974	ISRAEL	1.2	1 WESTWIND EXECUTIVE JET TRANSPORT AIRCRAFT	NO INFORMATION
1975	BELGIUM	.1	SMALL ARMS, AMMUNITION	COMPLETED
1975	BRAZIL	.1	ARMAMENTS FOR AIR FORCE	COMPLETED
<b>PARAGUAY</b>				
1967	SPAIN	.9	1 LIGHT MILITARY CARGO SHIP	COMPLETED
1968	CANADA	.4	1 DHC-6 TRANSPORT AIRCRAFT	COMPLETED
1969	ARGENTINA	.6	3 C-47, 3 DC-3 TRANSPORT AIRCRAFT	COMPLETED
1969	ARGENTINA	.1	2 AT-6 TRAINER AIRCRAFT	COMPLETED
1970	ARGENTINA	NEG.	6 75MM GUNS, AMMUNITION	COMPLETED
1970	BRAZIL	NEG.	1 AT-6 TRAINER AIRCRAFT	COMPLETED
1971	ARGENTINA	NEG.	4 USED TANKS, SUPPORT EQUIPMENT	COMPLETED
1971	ARGENTINA	NEG.	1 BOM-2 CLASS MOTOR BOAT	COMPLETED
1971	ARGENTINA	.1	1 DHC-3 TRANSPORT AIRCRAFT	COMPLETED
1971	BRAZIL	NEG.	4 75MM GUNS	COMPLETED
1971	BRAZIL	NEG.	5 USM-3 TANKS	COMPLETED
1972	BRAZIL	.4	8 T-21 TRAINER AIRCRAFT	COMPLETED
1973	ARGENTINA	NEG.	SUPPORT EQUIPMENT	COMPLETED
1973	BRAZIL	NEG.	SMALL ARMS, 2 HOWITZERS	COMPLETED
1973	BRAZIL	.2	12 AT-6 TRAINER AIRCRAFT	UNDER WAY
1973	TAIWAN	.4	MORTARS, AMMUNITION	COMPLETED





YEAR OF AGREEMENT	SUPPLIER	MILLION US \$	EQUIPMENT COVERED	DELIVERY STATUS
1973	ITALY	200.0	4 DESTROYER ESCORTS	UNDER WAY
1973	ITALY	1.0	COMMUNICATIONS EQUIPMENT	UNDER WAY
1973	ITALY	6.0	8 NAVAL GUN COMPLEXES	UNDER WAY
1973	NETHERLANDS	7.0	1 CRUISER	COMPLETED
1973	SPAIN	2.3	MORTARS	NO INFORMATION
1973	SWITZERLAND	.2	6 LIGHT AIRCRAFT	NO INFORMATION
1973	UNITED KINGDOM	4.0	8 CANBERRA JET BOMBER AIRCRAFT	UNDER WAY
1973	UNITED KINGDOM	3.0	BRIDGING EQUIPMENT	UNDER WAY
1973	WEST GERMANY	2.7	50 UNIMOG VEHICLES, 28 UR-416 ARMORED PERSONNEL CARRIERS	COMPLETED
1973	YUGOSLAVIA	2.0	65 105MM HOWITZERS	COMPLETED
1974	AUSTRALIA	.6	2 NOMAD STOL TRANSPORT AIRCRAFT	UNDER WAY
1974	FRANCE	.1	SMALL ARMS	COMPLETED
1974	FRANCE	27.0	6 MIPAGE III JET AIRCRAFT	UNDER WAY
1974	FRANCE	1.6	8 ALOUETTE III HELICOPTERS	COMPLETED
1974	ISRAEL	N.A.	SMALL ARMS, AMMUNITION	NO INFORMATION
1974	ITALY	1.0	OTOMAT SURFACE-TO-SURFACE MISSILE SYSTEM	UNDER WAY
1974	SWITZERLAND	.5	5 LIGHT AIRCRAFT	UNDER WAY
1974	WEST GERMANY	5.0	TRUCK ASSEMBLY PLANT	NO INFORMATION
1975	FRANCE	1.0	8 SS-11 ANTITANK MISSILE LAUNCHERS, 400 MISSILES	NO INFORMATION
1975	NETHERLANDS	4.8	1 F-28 Fokker TRANSPORT AIRCRAFT	NO INFORMATION
1975	SPAIN	2.4	MORTAR AMMUNITION	COMPLETED
1975	WEST GERMANY	.7	COBRA ANTITANK MISSILES	UNDER WAY
1966	UNITED KINGDOM	.1	RIFLES, VEHICLES	COMPLETED
1970	BELGIUM	NEG.	AMMUNITION	COMPLETED
1970	UNITED KINGDOM	1.8	2 103 FOOT PATROL BOATS	COMPLETED
1972	UNITED KINGDOM	.4	2 GAZELLE HELICOPTERS	COMPLETED

Country	Year	Item	Value	Notes	Status	
URUGUAY	1968	ARGENTINA	NEG.	SMALL ARMS, AMMUNITION	COMPLETED	
	1968	SPAIN	11.0	30000-TON OILER	COMPLETED	
	1969	NETHERLANDS	2.0	2 F-27 TRANSPORT AIRCRAFT	COMPLETED	
	1970	ARGENTINA	.9	30 T-6 TRAINER AIRCRAFT	COMPLETED	
	1970	ARGENTINA	.2	VEHICLES	COMPLETED	
	1970	SPAIN	NEG.	SUBMACHINEGUNS, AMMUNITION	COMPLETED	
	1970	UNITED KINGDOM	.1	VEHICLES	COMPLETED	
	1970	WEST GERMANY	.1	VEHICLES	COMPLETED	
	1972	WEST GERMANY	.1	PISTOLS, AMMUNITION	COMPLETED	
	1973	BRAZIL	1.3	VEHICLES	COMPLETED	
	1975	BRAZIL	4.0	5 BANDIRANTE AIRCRAFT	UNDER WAY	
	VENEZUELA	1966	FRANCE	5.6	20 ALOUETTE III HELICOPTERS	COMPLETED
		1966	ITALY	.1	SPARE PARTS	COMPLETED
		1966	UNITED KINGDOM	2.0	RADAR SYSTEM	COMPLETED
1966		WEST GERMANY	2.0	74 F-86 JET FIGHTER AIRCRAFT	COMPLETED	
1968		BELGIUM	1.3	SMALL ARMS, AMMUNITION	COMPLETED	
1969		BELGIUM	.1	PISTOLS	COMPLETED	
1971		BELGIUM	1.3	SMALL ARMS	COMPLETED	
1971		CANADA	38.0	16 CF-5A JET FIGHTERS, 4 CF-5D TRAINER AIRCRAFT	COMPLETED	
1971		FRANCE	1.0	10 AML-245 ARMORED CARS, 2 TRACTORS	COMPLETED	
1971		FRANCE	.5	MORTARS	COMPLETED	
1971		FRANCE	4.0	AMMUNITION	COMPLETED	
1971		FRANCE	2.3	30 TANK TRANSPORTERS	COMPLETED	
1971		FRANCE	1.6	9 58 TCN TRACTORS	COMPLETED	
1971		FRANCE	78.0	13 MIRAGE III JET FIGHTERS, 3 TRAINER AIRCRAFT	COMPLETED	
1971		FRANCE	2.2	29 AMX-VTT ARMORED PERSONNEL CARRIERS	COMPLETED	
1971		FRANCE	47.6	81 AMX-30 TANKS, GROUND FORCES EQUIPMENT	UNDER WAY	
1971		FRANCE	1.0	20 BOFOR 40MM L-70 ANTI-AIRCRAFT GUNS	COMPLETED	
1972		SWEDEN	.2	AMMUNITION	COMPLETED	
1972		BELGIUM	1.3	3 OTOMAT SURFACE-TO-SURFACE MISSILE SYSTEMS	UNDER WAY	
1972		FRANCE	1.7	36 105MM HOWITZERS, SPARE PARTS	COMPLETED	
1972		ITALY	36.0	6 121 FOOT PATROL BOATS	UNDER WAY	
1972		UNITED KINGDOM	70.0	2 TYPE-209 SUBMARINES	UNDER WAY	
1972		WEST GERMANY	8.0	COMMUNICATIONS EQUIPMENT	COMPLETED	
1972		WEST GERMANY	8.0	20 UR-416 ARMORED PERSONNEL CARRIERS	COMPLETED	
1973		WEST GERMANY	.8	BOMBS, AMMUNITION	COMPLETED	
1974		ISRAEL	8.0	NAVAL GUNS, ELECTRONICS	UNDER WAY	
1974		ITALY	13.7	6 ALPINO-CLASS FRIGATES	NO INFORMATION	
1975		ITALY	432.6		NO INFORMATION	

## Appendix D. Latin America: Weapons Systems Production

Table D-1

## Latin America: Major Weapons Systems Produced

Country	Item	Foreign Technical Support	Local Producer	Series Production Initiated	Remarks
<b>Aircraft</b>					
Argentina	Pucara IA-58 (AX-2) counter insurgency	France/United Kingdom	Cygnus, S.A.	Dec 1975	The Argentine air force may have ordered 30.
	IA-50GII light transport	France/United Kingdom	Cygnus, S.A.	1968	Production resumed in 1973 after being halted for several years.
Brazil	EMB-110 Bandeirante light transport	Canada/United Kingdom/France	Embraer, S.A.	1973	The Brazilian air force ordered 80, 40 of which had been received by the end of 1974.
	T-25 Universal jet trainer	United States	Neiva, Ltda.	1971	The Brazilian air force ordered 150, 132 of which have been delivered. The remainder of the contract has been waived until the more advanced version of the aircraft is developed.
	T-23 Urupuru primary jet trainer	United States	Aerotec, Ltda.	1968	The Brazilian air force ordered about 90, 75 of which have
<b>Ships</b>					
Argentina	Guipo I air cushion patrol boat	United States	N.A.	N.A.	
Brazil	Tank landing ships (LST)	United States	N.A.	N.A.	
	210-foot, shallow-draft river patrol boats	Indigenous	Naval Arsenal	1973	Specifically designed for Amazon basin operations, two operational by 1974.
	150-foot river patrol craft	Indigenous	Melaren Shipyard	1974	Contracted for by Brazilian navy, three will be operational late in 1975.
Chile	95-foot patrol boats	United States	N.A.	1970	
	Medium landing ship	Indigenous	ASMAR	1968	
	Large submarine chaser	Indigenous	ASMAR	1971	
<b>Armored vehicles</b>					
Argentina	APC	United Kingdom	Army	Prototype only	The vehicle resembles the British Saracen.
Brazil	EE-11 Urutu wheeled amphibious APC	United States	Engesa, Co.	1972	The Brazilian marines ordered 30; Bolivia is negotiating for the purchase of 50-100; Libya ordered a large number of these vehicles in 1974.
	EE-9 Cascavel wheel armored reconnaissance car		Engesa, Co.	1972	The Brazilian army ordered 80 in 1974, delivery was to begin in mid-1975, Libya reportedly ordered 500 Cascavels in 1974. Both France and Canada have also shown interest in Urutu and Cascavel armored vehicles. Bolivia purchased 60 Cascavels in 1975.
<b>Rockets</b>					
Argentina	RIGEL sounding rockets	Indigenous	IAAE	1969	
Brazil	SOUNDA I sounding rockets	Indigenous	Avibras, Ltd.	1971	By the end of 1973, some 300 were produced.
	SOUNDA II sounding rockets	Indigenous	Avibras, Ltd.	1972	By the end of 1973, some 45 were produced.

Table D-2

## Latin America: Major Weapons Systems Assembled Under License and Co-Production Agreements

Country	Item	Licenser	Local Producer	Type of Arrangement	Production Initiated	Comments
<b>Aircraft</b>						
Argentina	Hughes-500 helicopters	United States	RACA	Assembly, subsequent manufacture	Began in 1973	Assembly of one per month by early 1974.
Brazil	MB-326GB Xaunnte (AT-26) jet trainers light attack	Italy	Embraer	Assembly, with partial indigenous production of components	Began in 1971	The Brazilian air force order for 112 is more than half complete, with final aircraft being delivered 1977-78.
	SH-4 light utility helicopter	Italy	Audi	Assembly, subsequent manufacture	May have begun in 1974	The market for the SH-4 is estimated at 200-400. Production, once begun, is expected at 2-4 per month.
<b>Ships</b>						
Argentina	Type 42 frigates (guided missile destroyers)	United Kingdom	Naval Shipyard	Assembly	1975	One of the two ordered is currently being constructed. The other is being built in the United Kingdom.
	Type 209 submarines	West Germany	Tandano Shipyard	Assembly	1974	The two ordered in 1972 were operational in 1974.
	Saar-class fast patrol boats	West Germany	N.A.		No date set	Two ordered in 1972 delivered. The designs were purchased in the original order for possible production.
	Type 21 frigates	United Kingdom	Vosperthornycraft, Ltd.	Assembly with some locally produced equipment and materials		The six ordered in 1975 are to be constructed over 10 years.
Brazil	Mark 10 Vosper Thornycroft destroyer escorts	United Kingdom	Naval Arsenal Shipyard	Assembly of 2-3 out of 6 ordered	1976	British labor problems continue to delay completion of the first vessel. All were scheduled for completion by 1980, but that date may not be met.
Peru	Anduce-class guided missile destroyer escorts	Italy				
<b>Armored vehicles</b>						
Argentina	AMX-13 tank AMX-VTT APC AMX-VCI armored command vehicles	France	Rio de la Plata Shipyards	50% assembled in Argentina	1969	Although production of the AMX-13 tank is contemplated, there has been no move to produce the tank since the completion of the initial assembly.
	MOWAG APCs	Switzerland	Rio de la Plata Shipyards	50% assembled in Argentina	1969	Same situation with the MOWAG as with the AMX-13 tank.
Brazil	X-1 tank	United States	Army	Upgrading of M3A1 Stuart tank with Brazilian diesel engine and turret, and 90-mm French gun		The first 17 of these tanks were to be ready late 1974 or early 1975.
<b>Missiles</b>						
Brazil	Cobra anti-tank missiles ROLAND surface-to-air missiles	West Germany France/West Germany	Army Army	{ Some firing units and missiles, as well as foreign technology, purchased with the goal of developing a tactical missile capability }		Testing currently underway.